



**MEMORANDUM TO MINISTER
NOTE DE SERVICE AU MINISTRE**

Subject – Objet Comprehensive Study Report (CSR): Victor Diamond Project	Purpose for Memorandum – Raison d'être Decision
	Approved by – Approuvé par Scott Streiner (613) 948-2665
	Security Classification – Classification de sécurité Protected
	File Number - N° de dossier MIN-073203
	Date AUG 18 2005

ISSUE

Your decision is required on whether the Victor Diamond Project in Ontario, proposed by De Beers Canada Inc., should be referred back to Natural Resources Canada, Fisheries and Oceans Canada, Transport Canada and Human Resources and Skills Development Canada, the responsible authorities (RAs), for action, or requires further environmental assessment (EA) by a mediator or a review panel. Your approval is also required for the communication of your decision and recommendations to the Ministers of these departments.

CONTEXT

The Victor Diamond Project is being assessed as a comprehensive study under the *Canadian Environmental Assessment Act* (the Act), which was amended on October 30, 2003. As the project EA was initiated prior to that date, the project is subject to the legislative provisions that existed prior to October 30, 2003. Therefore, your decision at this point is whether, after considering the CSR and the related public comments filed with the Canadian Environmental Assessment Agency (the Agency), to refer the project to a review panel or a mediator, or to refer it back to the RAs for appropriate action.

RECOMMENDATION

I recommend that you reply to the Honourable John Efford, Minister of Natural Resources, the Honourable Geoff Regan, Minister of Fisheries and Oceans, the Honourable Jean-C. Lapierre, Minister of Transport, and the Honourable Belinda Stronach, Minister of Human Resources and Skills Development Canada indicating that:

1. You have concluded that the project as described with mitigation, is not likely to cause significant adverse environmental effects, that no further EA by a review panel or a mediator is warranted, and that you are referring the project back to the RAs for action under section 37 of the Act;

.../2



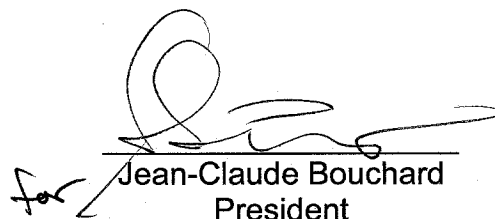
2. The RAs should:
 - a) ensure that all mitigation measures described in the CSR are implemented;
 - b) ensure that all of the recommendations described in the CSR are followed;
 - c) ensure that the follow-up program described in the CSR is developed to determine the effectiveness of measures taken to mitigate any adverse environmental effects of the project, and can verify the accuracy of the EA of the project; and
 - d) issue a public notice outlining their course of action.
3. The Agency will contact the RAs to confirm that the mitigation measures and the follow-up program, as described in the CSR, are implemented and that the prediction of environmental effects was accurate.

This response will fulfill your obligations under the Act's comprehensive study process. It will also allow the RAs to complete their decision-making processes.

You may recall that on August 2, 2005, you had agreed to hold off on your decision on this comprehensive study until the province had made a determination with respect to the MoCreebec Council of the Cree Nation's designation request to have the Victor mine project and all of its components designated as an individual EA under the *Ontario Environmental Assessment Act*. We have now received confirmation from the province that the Ontario Minister of Environment has denied the Mocreebec's request for an individual EA. The province has been informed that we are proceeding with our determination.

A letter to inform the Honourable John Efford, the Honourable Geoff Regan, the Honourable Jean-C. Lapierre and the Honourable Belinda Stronach of your decision is attached for your approval and signature. Pertinent background information on the technical review of the project is also attached for your consideration.

I would be pleased to discuss this decision-making process or the EA of the project at your convenience.


for / Jean-Claude Bouchard
President

Attachments

c.c.: Samy Watson