



Impact Assessment
Agency of Canada

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d'impact du Canada

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2024-2025 Annual Report under the Fighting Against Forced Labour and Child Labour in Supply Chains Act

Submission information

Government institution's name: Impact Assessment Agency of Canada

Financial year covered by the report: April 1, 2024 - March 31, 2025

Reporting period: 2025 reporting period (May 31, 2025 deadline)

Information on structure, activities and supply chains

The following accurately describes IAAC's activities:

- Purchasing goods in Canada

Additional information on IAAC's structure, activities and supply chains is as follows:

IAAC is a federal body that reports to the Minister of Environment and Climate Change. Under the *Impact Assessment Act* (the IAA), IAAC is the lead federal organization responsible for conducting and administering environmental and impact assessments. IAAC is also the Crown Consultation Coordinator for Indigenous consultations on designated projects. In leading these assessments, IAAC is responsible for assessing the positive and negative environmental, economic, social, and health effects, and applying Gender-based Analysis Plus (GBA Plus) to understand if these effects are experienced differently by diverse subgroups of people.

At IAAC, approximately **93%** of the value of goods purchased during the financial reporting year were made by using Public Services and Procurement Canada (PSPC) and Shared Services Canada (SSC) tools, such as Standing Offers and Supply Arrangements.

The goods purchased by IAAC during the financial reporting year fall under the following commodities:

| Goods and Services Identification Number (GSIN) | GSIN Description |
|---|----------------------------------|
| N5815 | Teletype and Facsimile Equipment |
| N7010126 | Computers, Micro, Laptop |
| N7025150 | Monitor, CRT or LCD |

| | |
|--------|--|
| N7030 | Automatic Data Processing (ADP) Software |
| N7045 | Computer Supplies |
| N7110 | Office Furniture |
| N7110C | Chair (Office) |
| N7510 | Office Supplies |

Steps taken to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods produced, purchased or distributed by IAAC

Steps taken in the financial reporting year to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods produced, purchased or distributed by IAAC are as follows:

- Developing and implementing anti-forced labour and/or child labour contractual clauses; and
- Engaging with supply chain partners on the issue of addressing forced labour and/or child labour.

Additional information describing the steps taken is as follows:

In November 2021, PSPC implemented anti-forced labour clauses in all good contracts to ensure that it can terminate contracts where there is credible information that the goods have been produced in whole or in part by forced labour or human trafficking. Additionally, since November 20, 2023, all PSPC and SSC Standing Offers and Supply Arrangements for goods that have been issued, amended, or refreshed include anti-forced labour clauses.

As such, all of IAAC's contracts for goods resulting from the use of these tools include clauses relating to forced labour which set out, among other things, human rights and labour rights requirements. These clauses can be found in [policy notification 150 – Anti-forced labour requirements](#).

IAAC has integrated PSPC's updated General Conditions for goods contracts and PSPC's [Code of Conduct for Procurement](#) in its purchasing activities.

In addition, to prevent and reduce the risk of forced labour or child labour in its procurements, IAAC has used the following list of PSPC and SSC tools:

- Standing Offers
- Supply Arrangements
- Anti-forced labour contract clauses

While PSPC supports government institutions in their daily operations by acting as the central purchasing agent for the Government of Canada, IAAC undertakes activities under its own procurement authority, independently of the aforementioned PSPC tools.

Information on the policies and due diligence processes in relation to forced labour and child labour

IAAC currently has policies and due diligence processes in place related to forced labour and child labour. IAAC has implemented the following elements of the due diligence process in relation to forced labour and child labour:

- Embedding responsible business conduct into policies and management systems
- Identifying and assessing adverse impacts in operations, supply chains and business relationships
- Ceasing, preventing or mitigating adverse impacts
- Tracking implementation and results
- Communicating how impacts are addressed
- Providing for, or cooperating in, remediation when appropriate

Additional information on IAAC's policies and due diligence processes in relation to forced labour and child labour are as follows:

Effective April 1, 2023, amendments to the Treasury Board [Directive on the Management of Procurement](#) require contracting authorities from all departments listed in Schedules I, I.1 and II of the [Financial Administration Act](#) (with the exception of the Canada Revenue Agency) and commissions established in accordance with the [Inquiries Act](#) and designated as a department for the purposes of the [Financial Administration Act](#) to incorporate the [Code of Conduct for Procurement](#) ("the Code") into their procurements.

Pursuant to the aforementioned amendments, IAAC has integrated the Code into its procurements, with a view to safeguarding federal procurement supply chains from forced labour and child labour. Contracts that IAAC has awarded included the Code through the General Conditions for goods.

The Code requires that vendors, providing goods and services to the Government of Canada and their sub-contractors, comply with all applicable laws and regulations. In addition, the Code requires vendors and their sub-contractors to comply with Canada's prohibition on the importation of goods produced, in whole or in part, by forced or compulsory labour. This includes forced or compulsory child labour and applies to all goods, regardless of their country of origin.

The prohibition on the importation of goods produced wholly or in part by forced labour came into force under the Customs Tariff on July 1, 2020. This amendment implemented a commitment in the Labour Chapter of the Canada-United States-Mexico Agreement (CUSMA) and applies to all imports, regardless of origin.

Information on the parts of IAAC’s activities and supply chains that carry a risk of forced labour or child labour being used and the steps taken to assess and manage that risk

IAAC has identified the parts of its activities and supply chains that carry a risk of forced labour or child labour being used. Specifically, IAAC has identified risks to the best of its knowledge and will continue to strive to identify emerging risks.

IAAC has identified forced labour or child labour risks related to specific aspects of its activities and supply chains and found that none were applicable.

In May 2021, a risk analysis of PSPC’s supply chains was completed by Rights Lab, of the University of Nottingham (U.K.), to determine which goods were at the highest risk of exposure to human trafficking, forced labour, and child labour. The analysis, and subsequent report, elaborated key strategies for PSPC to leverage public spending power to raise awareness about forced labour in supply chains.

IAAC has familiarized itself with information on the risk assessment provided by PSPC, and is monitoring related follow-up action, including the development of a Policy on Ethical Procurement.

IAAC identified forced labour or child labour risks in its activities and supply chains related to specific sectors or industries and found that none were applicable.

Information on any measures taken to remediate any forced labour or child labour

Not applicable. IAAC has not identified any forced labour or child labour in its activities and supply chains.

Information on any measures taken to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in IAAC’s activities and supply chains

Not applicable. IAAC has not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in our activities and supply chains.

Information on the training provided to employees on forced labour and child labour

IAAC is aware that PSPC is currently developing awareness-raising guidance materials (including risk mitigation strategies) for suppliers, targeted towards high-risk sectors. IAAC is monitoring the development of these materials and will leverage these resources upon their publication.

Information on how IAAC assesses its effectiveness in ensuring that forced labour and child labour are not being used in its activities and supply chains

IAAC currently has policies and procedures in place to assess its effectiveness in ensuring that forced labour and child labour are not being used in its activities and supply chains.

IAAC uses the following methods to assess its effectiveness:

- Partnering with an external organization to conduct an independent review or audit of the organization's actions.
- Working with suppliers to measure the effectiveness of their actions to address forced labour and child labour, including by tracking relevant performance indicators.

Approved by:

President: Terence Hubbard

President Signature:
