Need for Coastal Restoration and National and Regional Priorities

The Coastal Restoration Fund responds to an identified need to address threats to aquatic ecosystems and marine biodiversity loss along Canada’s coastlines. The program was designed using national priorities identified as part of the OPP and by working with stakeholders to identify regional priorities. The identified priorities were considered when assessing project proposals. As a result, the CRF has provided funding for large-scale, multi-year restoration projects that are aligned with national and regional priorities such as improving fish passage and restoring historical coastline modifications.

Impact of the Coastal Restoration Fund

Through eligible funding, CRF recipients were able to develop studies and strategic plans prior to undertaking projects, which allowed them to prioritize needs and determine appropriate measures to effectively restore the selected sites. Additionally, recipients are required to implement monitoring and maintenance of the restored sites. Both of these activities are viewed as important to understand the long-term benefits of the projects.

As the program is still in its implementation phase, it is too early to see the full impact of the CRF projects; however, there are indications that the funded projects are contributing to restoring coastal areas, including:

- improving fish passage for migration through habitat restoration (e.g., restoring salt marshes);
- mitigating human-imposed barriers (e.g., replacing impassable culverts); and
- conducting studies on the landscape to determine restoration needs (e.g., environmental improvements and needs assessments).

CRF projects are also expected to have a positive impact on endangered and threatened species (e.g., increasing fish populations that serve as prey for the Southern Resident Killer Whales).
Delivery of Grants and Contributions Programming

Despite limited standardized tools and processes for the management of grants and contributions at the outset of the program, the CRF used good practices in the design of the program. Improvements were made throughout the implementation of the program (e.g., developing a checklist for year-end reporting).

One of the biggest challenges regarding the delivery of the CRF program is related to the lengthy year-end report review process, which is having an impact on the disbursement of funds to recipients. The CRF currently releases a 90% advance payment to recipients in their first year, with a 10% hold back of the remaining annual funding. The 10% holdback and the next 90% advance payment is released upon approval of a recipient year-end report for the first year.¹

As of January 2020, 59% of payments due in 2019-20 had not been disbursed for projects—a value of $8.3M. The delay is attributable to delays in approving year-end the reports that recipients are required to submit.

LESSONS LEARNED

NEED FOR COASTAL RESTORATION AND ALIGNMENT WITH PRIORITIES
1. Clearly identifying national and regional coastal restoration priorities during the design and early implementation phase of the Coastal Restoration Fund program ensured that funded projects aligned with identified priorities.

IMPACT OF THE COASTAL RESTORATION FUND
2. The funding of studies and planning, as part of Coastal Restoration Fund projects, enhanced the effectiveness and efficiency of projects by allowing recipients to prioritize needs and determine appropriate measures to restore sites and will help ensure their long-term sustainability.
3. The requirement for monitoring and maintaining the long-term sustainability of projects, as part of the Coastal Restoration Fund, will increase the understanding of the long-term benefits of the funded projects.

TARGET GROUPS, COLLABORATIONS AND NETWORKS
4. Networking and skills sharing events, both at the national and regional level, provided recipients and their partners with the opportunity to meet, share expertise, and learn about each other’s projects.

DELIVERY OF GRANTS AND CONTRIBUTIONS PROGRAMMING
5. Given the increase in grants and contributions programs within DFO, it is important for the department to have standardized tools and guidance for the management of grants and contributions for program managers at the outset of the program, including ongoing training to ensure consistent application of the tools and guidance across the department.
6. To ensure that there are no delays with the disbursement of funds, it is important to have service standards in place for key points in the process prior to program implementation.
7. To support efficient program delivery it is important that the reporting process be designed to ensure compliance with the obligations of the funding agreement but also be reflective of the level of risk specific to the program.

¹The program is required to comply with the Directive on Transfer Payments regarding the disbursement of funding.
²The 2019-20 Federal election also had an impact on the review of year-end reports, particularly due to the Caretaker Convention, which places restrictions on departmental activities (https://www.canada.ca/en/privy-council/services/publications/guidelines-conduct-ministers-state-exempt-staff-public-servants-election.html).