



Newfoundland and Labrador
Environmental Industry Association

Annual Report 2015-2016

March 25, 2015 - March 21, 2016

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2015-2016 BOARD OF DIRECTORS



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Chair
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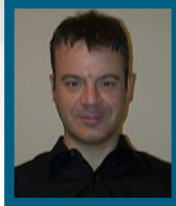
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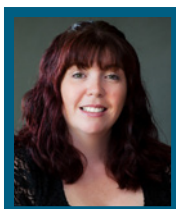


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Message from the Chair of NEIA

The past year has been a difficult one for many businesses in Newfoundland and Labrador. Slumping commodity prices and government deficits have curtailed much of the growth and momentum we have seen over the past decade. Yet, a bright light of the province's economy continues to be its environmental sector.

This is evident in the level of interest and participation in NEIA's programming and activities. Growing over the course of the year by 18 corporate members, the range and scope of the organization's efforts continues to increase. NEIA's Oil Industry and the Environment Seminar (NOTES) in April generated significant attention on the need to innovate in our primary industry and drew international participation. The province's green economy conference - Newleaf - continues to expand, growing in to a full two-day event and doubling in size with respect to sessions and attendance. Throughout the year, NEIA held a variety of events with subjects ranging from supply chain opportunities, to introducing management systems, to global economic forecasting, to funding programs, to emergency response training. The programs and services of NEIA are tailored to help develop sector capacity in international business, productivity and competitiveness, or innovation and commercialization. In the end, all of our offerings are focused on green economy growth.

In Newfoundland and Labrador, we regularly hear that the diversification of our economy is critical for the sustainability of the province. Growth of the green economy can be a powerful agent in that diversification, as it adds great value to existing business activity. All of our major industries - from oil and gas, to the fishery, to mining and exploration, to tourism, to aquaculture - have environmental impacts and could benefit from products, services, or processes that increase efficiency or decrease waste. These solutions can be exported beyond our borders.

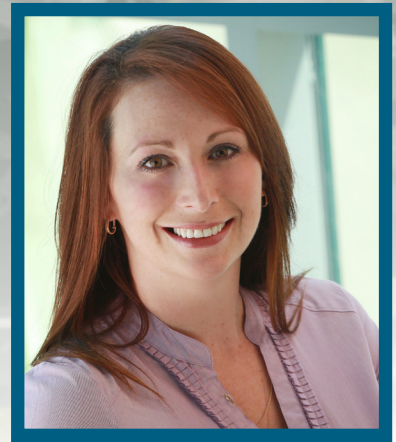
The same is true for the solutions we arrive at relating to our geography. As a remote jurisdiction that is expansive yet rural in nature, we face problems in economies of scale. Environmental effects in waste management, wastewater, the provision of power, drinking

water, distance to markets, etc. are more challenging in Newfoundland and Labrador than in more populous regions. Yet this is an opportunity. How we address these challenges are of great interest to other rural and remote regions throughout the world - of which there are many.

Significant supports to pursue these opportunities are emerging. We now have a federal government with a keen interest in reducing our collective contribution to climate change and focusing on doing so through the development of clean technologies - the same types of technologies that can complement our existing primary industries. Programs in support of these objectives are being created and, in some cases, are already being rolled out. With the province's green economy stakeholders working collaboratively, we must exploit the opportunity before us.

To increase NEIA's capacity to act, its Board of Directors in 2015 created a new committee structure, expanding beyond strictly governance objectives and in to more strategic territory. This included the creation of a sector development committee (exploring prospects and programming related to international business, productivity, and innovation) and a practitioner training and development committee (aiming to grow environmental sector skills and capacity within the labour force). The addition of these committees, driven by private sector interests, will have a significant impact on the range and scope of NEIA's activities.

NEIA has worked hard in representing environmental sector interests in 2015. Following months of engagement with its membership and a variety of public and private stakeholders, in November NEIA released a comprehensive list of provincial policy recommendations in support of growing Newfoundland and Labrador's green economy. We are currently working with our new provincial government partners in the prioritization and implementation of these recommendations, and are hopeful that the level of collaboration, communication, and engagement on such issues between industry and government will continue in the long term.



Deidre Puddister
Chair
Pennecon Limited

On behalf of NEIA, I would like that thank the Atlantic Canada Opportunities Agency (ACOA) and the Department of Business, Tourism, Culture, and Rural Development for their continued support of NEIA and the environmental sector of the economy in Newfoundland and Labrador. Without the financial contribution of these agencies, NEIA would not be able to offer the robust suite of programs and services that it does today.

On a more personal note, while I will continue to be involved with the organization, this Annual General Meeting marks the end of my tenure as Chair of the Newfoundland and Labrador Environmental Industry Association. It has been a pleasure to serve, and I would encourage my colleagues in the industry to do the same in the years to come. NEIA is a proactive and effective economic development force in this province, and with your involvement it can be a real driver of diversification and green economy growth.

A handwritten signature in blue ink, appearing to read 'D Puddister'.

Message from the

Executive Director

NEIA's focus on business development initiatives aimed at providing tangible, firm-level benefits has enabled NEIA to have another successful year in 2015 despite economic challenges. NEIA made significant progress in its export and international trade activities; laid the groundwork for a more robust program of training and professional development offerings; and produced a comprehensive provincial policy document which is being used to engage the new government in issues of interest for the sector.

Export and International Trade

NEIA is taking a deliberate, graduated, stage-gated approach to international business development. NEIA's Export and International Business Network (EIBN) has grown to over 40 firms and organizations. As EIBN identifies challenges and markets of interest, NEIA works with partners such as ACOA and BTRCD to develop suitable supports. In the case of new market development, this would normally entail market research, facilitation of market information sessions, the organization of incoming international delegations, the development of firm-level market entry strategies, and expert advice. If firms decide to pursue based on this advance work, NEIA will plan a market visit and engage expert consultants to develop a tailored program of meetings and activities consistent with their market strategies. NEIA, with these consultants, provides these firms with in-market support.

One of the key markets identified by the network was the English-speaking Caribbean. The developmental work completed on this market in 2014 resulted in a busy year for participating firms in 2015. Throughout the course of the year, NEIA led three separate missions to the market. In total, 14 separate organizations participated. Many of these participated in multiple missions. Over 350 targeted meetings with qualified contacts took place throughout the region. Countries visited varied by firm but included Barbados, Trinidad and Tobago, the Bahamas, Jamaica, St. Kitts and Nevis, and St. Vincent and the Grenadines. Significant progress has been made in the market and the Caribbean remains a priority for NEIA's members in 2016.

Another identified market of interest for EIBN is Turkey. NEIA and the Aerospace and

Defence Industry Association of Newfoundland and Labrador (ADIANL) began exploratory activities related to Turkey in 2014. Based on the success of this project to date and the continued expressed interest of private sector firms, NEIA and ADIANL hope to advance a program of supports focussed on Turkey in 2016 aimed at assisting members to evaluate and enter the market. Key activities will include the development of additional firm-tailored market entry strategies, the organization of an incoming delegation from pre-qualified Turkish representatives, and finally a business development mission to the market.

Training and Professional Development

One of NEIA's primary roles is to contribute to sector capacity through the development of training and professional development opportunities. Recognizing a need for more specialized skill development for Newfoundland and Labrador's environmental professionals, NEIA's Board of Directors struck a 'practitioner training and development' committee in 2015.

Throughout the year this committee worked diligently to identify training gaps, investigate professional development options, and design a plan which will see NEIA deliver a robust program of activities in 2016 and beyond. The program will aim to quantify core skills through certification courses, build complementary skills through added-value training sessions, contribute to a greater working knowledge of regulations and best practices, and build lasting professional networks. We look forward to working with environmental professionals throughout the province to provide a versatile training program that evolves at the speed of business.

Policy and Advocacy

NEIA has worked hard to represent private environmental sector interests in 2015. Following months of engagement with its membership and a wide variety of public and private stakeholders, NEIA released a comprehensive list of provincial policy recommendations in support of growing Newfoundland and Labrador's green economy.

We are currently working with our provincial government partners in the advancement and implementation of these recommendations.



Ted Lomond
Executive Director

NEIA is optimistic that industry and government communication, engagement and collaboration on such issues will continue to grow and strengthen.

Innovation and Productivity

In 2015 NEIA held its largest academia-industry research-matching event to date. The number of presenters was so great that we had to divide them along two important themes and hold the presentations in two concurrent sessions: 1) The application of research to science, engineering, and technology challenges; and 2) the application of research to business, regulatory, and policy challenges. Feedback was positive and the event generated considerable interest.

NEIA also held two significant conferences in 2015; Newleaf and NOTES. Both of these events showcased new technologies through panel discussions facilitating technology adoption, benchmarking, and cross sector learning. NEIA also hosted sessions on the Built in Canada Innovation Program and the role of the Canadian Intellectual Property Office.

NEIA also advocated on behalf of its members for a change in Memorial University's intellectual property policies. Working in collaboration with the university and a number of industry groups and stakeholders, this policy was changed.

As our international business and innovation activities continue at rapid pace, we expect 2016 to be an even more effective year for NEIA as our work plans in other areas are realized. As always, we welcome any input that members and stakeholders may have on our activities and encourage your participation.



NEWFOUNDLAND & LABRADOR'S
GREEN ECONOMY
CONFERENCE



NEWLEEF 2015

NEWFOUNDLAND AND LABRADOR'S GREEN ECONOMY CONFERENCE

On October 8-9, 2015, the Newfoundland and Labrador Environmental Industry Association (NEIA) held Newleaf - the province's premier green economy conference.

"Newleaf brings industry, small business, academia, and government together to discuss the growth and diversification of the province's economy through the protection of, mitigation of effects to, or enhancement of the natural environment," says Ted Lomond, NEIA's Executive Director. The conference attracts environmental professionals, business owners and entrepreneurs, policy analysts, academia and researchers, and organizations with sustainability objectives.

"NEIA's members are active in all areas of Newfoundland and Labrador's economy, from green building, to waste management, to forestry, to oil and gas," says



“Newleaf continues to grow in size and scope,” says Ted Lomond, Executive Director of NEIA. “This is an indication of the growing interest and understanding in this province of the relationship between economy and environment.”

The range of presentations at Newleaf 2015 was broad, with sessions exploring business opportunities; the latest in local research; intra-sector innovation possibilities; the navigation of environmental issues with a focus on solutions; and the products, services, and activities of organizations operating in the province. Sessions were grouped according to themes of importance to the local sector, including food and agriculture, resource development, corporate sustainability, industry development, new technologies, and green building.

Innovation

One of the main attractions at Newleaf 2015 was the Innovation Session, an event which highlighted exciting new research in the province and connected local businesses with university and college staff.

“Innovation is a key consideration when we talk about diversifying Newfoundland and Labrador’s economy,” says Lomond. “Innovation in product, process, service, or business model contributes to the long-term international competitiveness of our firms, but it is not something that happens naturally. Our Innovation Session helps create the networks, relationships, and cultures that are necessary in order to give our firms the chance to innovate.”

Innovation does not happen in isolation, and is lagging in Newfoundland and Labrador. The Conference Board of Canada recently gave the province a ‘D’ grade in

innovation performance, ranking it 22nd among 26 ranked jurisdictions.

“Innovation is not only an important factor in improving productivity, economic growth, and job creation. It is also essential from an environmental perspective,” explains Lomond. “Living in communities that are often isolated, remote, and natural resource dependent can pose environmental challenges. New and creative ideas are required in this province to develop the unique solutions we need to avoid or mitigate the environmental effects of our business activities.”

“Innovation is not only an important factor in improving productivity, economy growth, and job creation. It is also essential from an environmental perspective.”

The Innovation Session featured over 40 rapid-fire presentations, drawing environmental sector researchers across a range of disciplines including engineering, marine systems, geography, biology, business, chemistry, geo sciences, environmental studies, environmental policy, food sciences, technology programs, etc. The event gave firms an opportunity to discover local research expertise with an aim to solving existing product and service challenges or generate new business ideas and initiatives.

“This was the fourth Innovation Session we have organized,” says Lomond. “In each of the previous years, our event has resulted in collaborations between industry and academia – collaborations that have been supported by funding agencies.” Particularly engaged in the sessions

Lomond. “What binds them is their belief that economic development and environmental health are not mutually exclusive values. Newleaf is the one event in the province which brings these likeminded individuals and organizations together.”

Steady growth

In just four years, since the first iteration of Newleaf in 2012, attendance at the event has grown by over 100%. The conference has expanded from one day of linear sessions in its first year, to two days of multiple streams of presentations and as many as three concurrent activities for attendees.

were the Social Sciences and Humanities Research Council (SSHRC), and the Natural Sciences and Engineering Research Council of Canada (NSERC).

Climate Change in Newfoundland and Labrador

Newleef 2015 also featured an exclusive and timely session focusing on tackling climate change within the province, and how it might consider moving forward in pricing carbon emissions. “85 percent of Canadians are now living in a province where carbon is being priced,” says Lomond, referring to program implementations in Alberta, British Columbia, Ontario, and Quebec. “It is time that Newfoundland and Labrador had an open discussion on when we will do our part for the environment, how we will address our rising greenhouse gas emissions, and how we will help capitalize on the business opportunities this creates.”

Encouraging that discussion at Newleef was Chris Ragan, Chair of Canada’s Ecofiscal Commission and the event’s keynote speaker. “Chris leads a group of experts who take a practical and economic-centric approach to policy development,” says Lomond, noting the approach could be appealing to Newfoundland and



Newleef’s panel on the future of megaproject benefits agreements in Newfoundland and Labrador

Labrador’s decision makers. Ragan’s presentation built a strong case for the province to join the country’s major economies in pricing carbon emissions, and was a highlight for many of the attendees.

The province’s Minister Responsible for the Office of Climate Change and Energy Efficiency added a local context to the conversation, outlining specific factors Newfoundland and Labrador needs to consider when assessing pricing options. The climate change session also featured an expert assessment on the needs and challenges the province faces in adapting to its shifting climate.

“Newleef presented the most comprehensive public discussion on climate change and carbon emissions

pricing that our province has seen,” says Lomond. “It provided an excellent base from which industry and environmental stakeholders can choose how to proceed. We look forward to being part of that discussion and that decision.”

Fortuitous timing

The discussions held at Newleef 2015 were timely. The event preceded a provincial election by just over one month. Each provincial political party had the opportunity to address attendees and outline their visions for Newfoundland and Labrador’s green economy, while guests had the opportunity to meet and share ideas and concerns.

“On behalf of our membership, we engage the province’s leaders on a regular basis both face-to-face and in writing to indicate the needs of the sector,” says Lomond. “Newleef is a chance for these leaders to demonstrate their commitment to the industry and to discuss issues directly with stakeholders.”

Lomond says NEIA’s members were pleased with Newleef 2015. “Newleef is the best opportunity in the province for the discussion of issues of common economic and environmental interest,” he explains. “Planning has already begun for next year’s event”.



NEIA’s Chair, Deidre Puddister of Pennecon Ltd, and Dwight Ball, Premier of Newfoundland and Labrador

2015/16 Professional Development



Hazardous Waste Operations & Emergency Response Training

November 30 - December 7, 2015

NEIA offered both the full 40-hour and the 8-hour refresher "Hazwoper" courses.



ISO 14001 - Environmental Management

July 8-9, November 12-13, 2015

In a new initiative, in partnership with BTCRD and ACOA, NEIA accessed Labour Market Development funding to support ISO 14001 training for its members. ISO 14001 sets out the criteria for an environmental management system and can be certified to. It maps out a framework that a company or organization can follow to set up an effective environmental management system. The result of this initiative was several NEIA members were able to access ISO training at half cost.

ENVIRONMENTAL MANAGERS ROUNDTABLE



Environmental Managers Roundtable

May 7, September 16, 2015 | February 16, 2016

The Environmental Managers Roundtable is an opportunity for environmental managers in varying segments of the economy to network, discuss issues of common concern, and share information in a relaxed and informal setting.

The growing roundtable in 2015/2016 discussed topics both broad (e.g. best practices, professional development and training opportunities) and specific (e.g. the currency of particular guidance documents, input on the government's renewal initiative).

NEIA works in a support role for the roundtable to provide for its indicated needs, and also hosts an online forum for environmental professionals through LinkedIn.

Fisheries Protection Workshop

March 16, 2016

Presented by the Department of Fisheries and Oceans, this seminar allowed environmental professionals to learn about the intent and breadth of the fisheries protection provisions of the Fisheries Act, discuss how the provisions apply in real-world scenarios, and have open discussion on best management practices and streamlining initiatives and reviews.

Practitioner Training & Development Committee

Recognizing a need for more targeted professional development and training opportunities for those working in NL's environmental sector, NEIA's Board of Directors altered its committee structure in 2015 to include a committee focused exclusively on practitioner training and development. The committee worked diligently in 2015 to identify employer and/or professional needs and opportunities, with an aim to increase sector capacity. A new program of training and professional development opportunities will be introduced in 2016/2017.

2015/16 Information Sessions



Speaker Series: Introduction to Integrated Management Systems

April 14, 2015
(Quality Matters)



Speaker Series: Build in Canada Innovation Program (BCIP)

May 21, 2015
(Public Works and Government
Services Canada)



Speaker Series: Husky Energy's Procurement Process and Supply Chain Overview

October 21, 2015
(Husky Energy)

LET'S TALK EXPORTS 2015 APRIL 29



Let's Talk Exports 2015

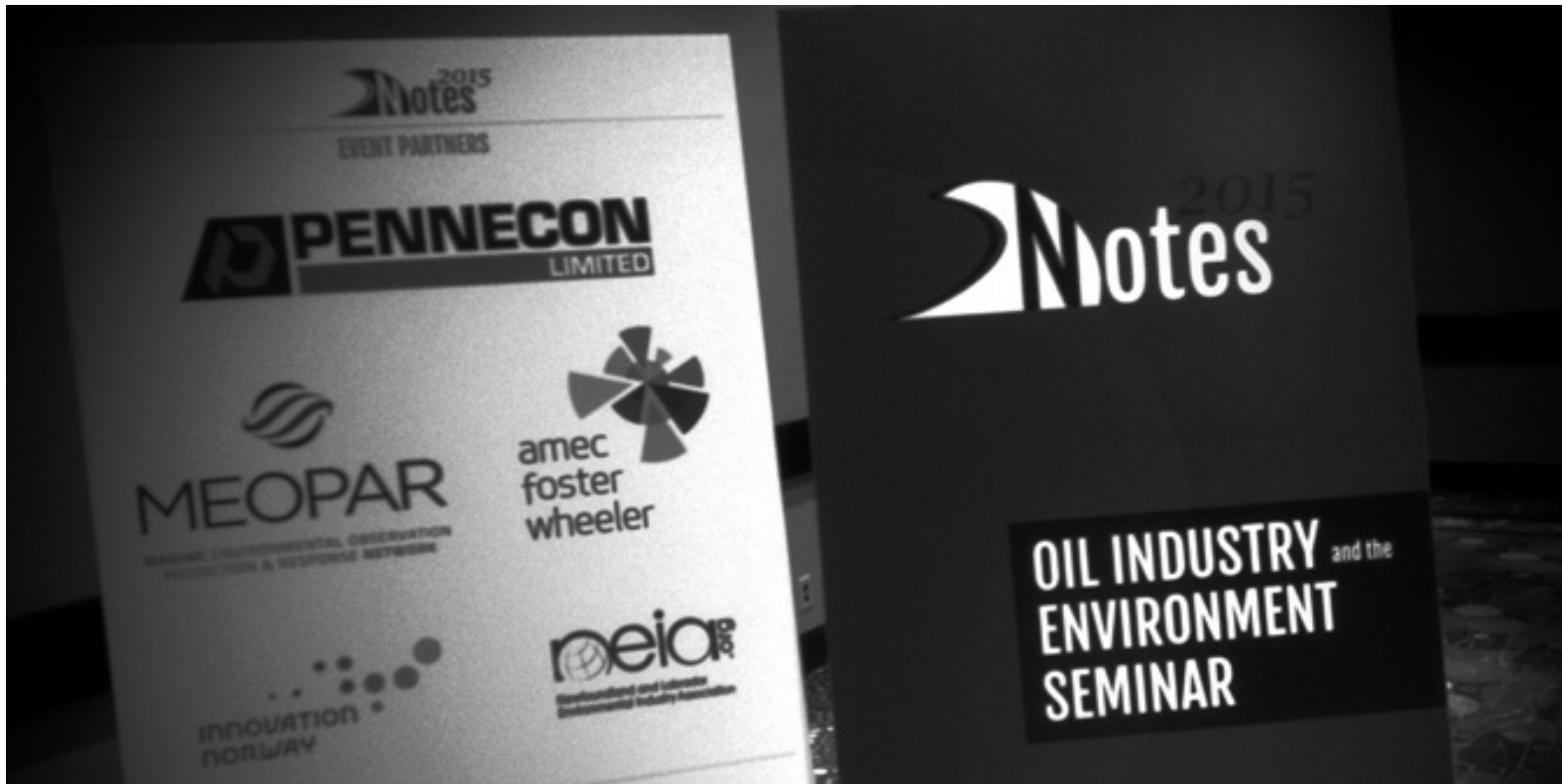
April 29, 2015

"The world economy continues to bump along, with hot spots, not-spots and a good few economies in between. Has the global economy got a case of terminal weakness, or has the slow train reached its terminus? Are plunging oil prices, currency volatility and persistent structural weaknesses key threats to nascent growth, or is the global economy gaining a firmer foothold? Is it all dependent on the US economy, or will the growth game finally catch on? And is Canada set to benefit, or will a weak domestic economy compromise our ability to grab the growth from abroad?"

Let's Talk Exports 2015 was a chance for decision makers to get the most up-to-date information available on what the global economy had in store for exporting businesses of all sizes, in all sectors. Participants joined Peter G. Hall, Vice-President & Chief Economist at Export Development Canada, to hear answers to these questions about the global economy and its effects on Canada, along with forecasts of the Canadian dollar, commodity prices and growth in their industries.

Let's Talk Exports is an annual event held by NEIA in partnership with Export Development Canada.

NOTES 2015



EXPLORING SOLUTIONS TO ENVIRONMENTAL CHALLENGES IN NEWFOUNDLAND & LABRADOR'S OIL & GAS INDUSTRY.

On April 27-28, 2015, NEIA held its Oil Industry and the Environment Seminar, *NOTES 2015*. The two-day event brought operators, large corporations, SMEs, federal and provincial governments, and academia together to discuss environmental challenges the oil and gas industry faces in the region, and to explore possible solutions.

"*NOTES 2015* provided an opportunity for persons involved in all aspects of the province's oil and gas industry to share information, insights, and experiences as they relate to our natural environment," said Ted Lomond, Executive Director of NEIA, "with a focus on increased efficiency and innovation."

Lomond contends assisting in the growth and internationalization of local technologies in the industry must be a

priority. "From a business development point of view, we must encourage and support our local businesses to innovate and develop products and services that they can bring to the global market." This will help diversify Newfoundland and Labrador's economy and ensure that the province benefits from the oil and gas industry long after its offshore reserves are depleted, says Lomond. "There is significant opportunity for that international growth in the environmental business sector, and that was the driving force behind *NOTES 2015*."

The event was anchored by a keynote presentation by Preston Manning, CEO of the Manning Centre and member of Canada's Ecofiscal Commission's advisory board. Manning spoke on the pursuit of integrating energy and environmental interests through market mechanisms – a topic of growing importance in Newfoundland and Labrador as its provincial counterparts are implementing programs to address climate change.

NOTES 2015 featured a wide spread of

topics ranging from environmental effects and monitoring, to oil spill response technologies, to the socio-economic impacts of the industry to-date, to a keynote panel discussion on benefits agreements and their application on future mega-projects.

"Important discussions were had on the past, present, and future of the industry in Newfoundland and Labrador, and how we can structure future agreements for the long-term benefit of the province," noted Lomond.

One session of the agenda focused exclusively on planning and consultation. "Whether oil and gas projects are the negotiation, construction, operations, or de-commissioning stage, we learned that proper engagement is a critical factor in success," says Lomond.

"And so we were encouraged to have had participation from all levels of industry, government, and academia at *NOTES 2015*. We look forward to continuing the conversation with our partners."

More information on *NOTES 2015* can be found on the conference website at www.neia.org/notes2015.

2015/16 The Caribbean Project



In early 2014, NEIA's *International Business and Export Network* of firms independently selected the Caribbean as a region of collective interest.

Taking a graduated approach to international business exploration, on behalf of its members NEIA worked in 2014 to familiarize interested firms with the Caribbean region and in the creation of business strategy. This work included providing information sessions on doing business in the region (Spotlight: Caribbean, international financial institutions, key agencies and best practices), organizing a series of incoming delegations of officials from the region (Caribbean Development Bank, Government of Barbados Officials, High Commissioners), and eventually the development of tailored market entry strategies for interested firms facilitated by expert consultants.

These strategies assessed the capacity of the businesses to conduct operations in the region; explored market potential for their products and services; identified and prioritized strategic contacts, key objectives and timelines; and target markets. Firms which participated in the graduated process were well prepared to conduct business in the region before traveling to the market.

The legwork completed in 2014 resulted in a busy year for Newfoundland and Labrador firms in the Caribbean in 2015; through the course of the year, NEIA led three separate missions to the market.

14 separate organizations participated in these missions, some of which engaged the market on more than one occasion. Over 350 established targeted meetings took place throughout the region, including in Barbados, Trinidad and Tobago, the Bahamas, Jamaica, St. Kitts and Nevis, and St. Vincent and the Grenadines. In addition to the coordination and management of the mission logistics, NEIA staff participated as delegates in the mission, and had their own schedule of meetings in the market in the interest of increasing green economic activity in Newfoundland and Labrador,

Feedback from firms participating in these mission has been extremely positive, and steps are being taken to extend the Caribbean Project and continue business development in this region. The Caribbean Project is made possible by the support of the Department of Business, Tourism, Culture, and Rural Development (BTCRD), and the Atlantic Canada Opportunities Agency (ACOA).

NEIA Executive Ted Lomond says that the Caribbean is a natural partner in economic development.

“The products and services developed in Newfoundland and Labrador can work well in other island environments.”

Lomond notes the region faces similar challenges such as the impacts of climate change, coastal zone erosion, distance from markets, and economies that are resource dependent.

“Our province has a long history of trade with the Caribbean, and we are working to continue and deepen that tradition.”

2015/16 The Turkey Project



Based on expressions of interest from their members, NEIA and the Aerospace and Defence Industry Association of Newfoundland and Labrador (ADIANL) began exploratory activities related to Turkey in 2014 through establishing contact with trade commissioners and key contacts with regional expertise, and the commissioning of a high-level market intelligence report.

The results of this report - and a series of information sessions - were well received by the private sector, who encouraged continued market exploration and strategic entry planning.

In 2015, with the support of the Atlantic Canada Opportunities Agency (ACOA) and the Department of Business, Tourism, Culture, and Rural Development (BTCRD), NEIA and

ADIANL supported their members in their pre-market entry activities to determine the value of pursuing business in the Turkish market, and to prepare interested firms for market entry. Firms evaluated their export readiness and determined market potential for their products and services. This project also aimed to identify potential export and international business opportunities in the region and recommended strategies and next steps for companies looking to do business in Turkey.

This project also allowed NEIA and ADIANL to host a detailed sector-specific session on doing business in Turkey in November. This session featured presentations from market insiders, Global Affairs Canada, the Canadian-Turkish Business Council, and the Investment Support and Promotion

Agency of Turkey. In addition, project participants had the opportunity to meet with the Ambassador of the Republic of Turkey to Canada.

Based on the success of this project to date and the continued expressed interest of private sector firms, NEIA and ADIANL hope to pursue a package of Turkey-focused supports in 2016, incremental to its core activity to continue to aid members in evaluating and entering the market.

Key activities may include the development of additional firm-tailored market entry strategies, the organization of an incoming delegation from pre-qualified Turkish representatives, and finally a business development mission to the market.

2015/16 GLOBE 2016



From March 2-4, 2016, NEIA led an Atlantic Canadian mission of six firms to the GLOBE 2016 green economy conference and exhibition in Vancouver, BC.

“The GLOBE conference is one of the largest green economy exhibitions of its kind in the world,” says Ted Lomond, Executive Director of NEIA. “It is an opportunity for our firms to find customers, but it is also an opportunity to find partners, learn about market trends, and benchmark against competitors.”

The GLOBE Series conference takes place every two years and hosts participants from more than 3,000 organizations and over 50 countries. The event brings industry and thought leaders together to discuss current trends and to showcase innovative technology solutions for the world’s most challenging environmental problems. Lomond notes that the

importance of the 2016 conference was highlighted by the participation of the Prime Minister, federal ministers, and a meeting of the Premiers.

“Every two years, over 10,000 participants from all over the world gather in Vancouver, generating over \$400 million in new environmental business,” says Lomond. “This represents a significant opportunity for Newfoundland and Labrador firms.”

The mission was supported by the Atlantic Canada Opportunities Agency (ACOA) and the Department of Business, Trade, Culture, and Rural Development. As part of the mission, participating firms had a dedicated company-branded space housed in a 400-square foot Atlantic Canadian pavilion. Along with the exhibition space, each firm benefitted from the services of a professional matchmaking consultant who tailored a

program of meetings and events specific to each company.

“The growth of Newfoundland and Labrador’s environmental sector is an important contributor to the diversification of our province’s economy,” says Lomond. “The products and services developed here that address the environmental challenges faced by our industries and posed by our geography can be exported on a global scale.”

Lomond says the partnership between ACOA, the province of Newfoundland and Labrador, and industry in pursuing sector development is essential. “Providing firms with the support they require to grow is critical to diversifying the Newfoundland and Labrador economy. Participation in world-class events such as Globe is important.”

2015/16 Sector Growth Initiatives

Through the normal course of its operations, NEIA works one-on-one with firms to identify available programming that best suits their needs - and then to broker the relationship with its partners to provide the support they require. NEIA does so through a number of established initiatives:



Productivity and Competitiveness Initiative

NEIA works in close partnership with a variety of entities to help firms increase their productivity and competitiveness. Through this initiative NEIA works one-on-one with firms to identify key needs or opportunities which can range from quality management and standardization to the acquisition of billing / inventory / client management systems. NEIA helps select appropriate programming and then brokers relationships with its government partners to provide the supports the firms require.



Innovation and Commercialization Initiative

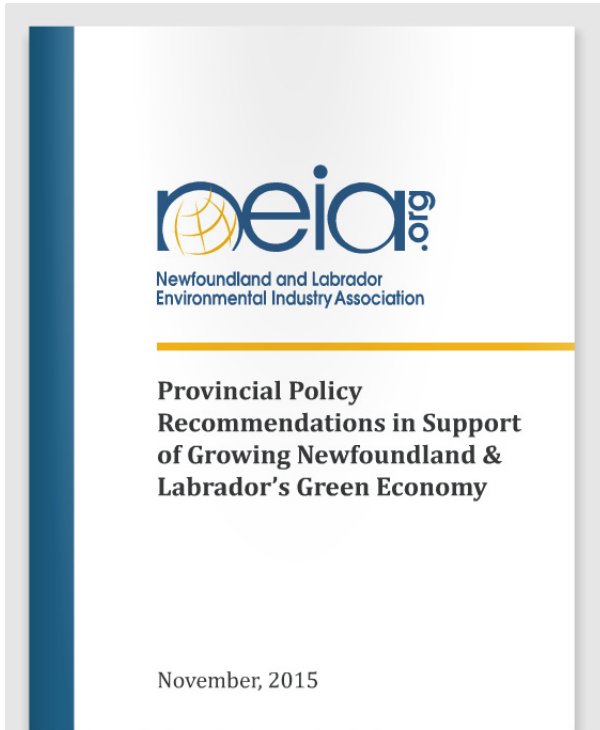
NEIA works in close partnership with a variety of entities to help firms protect their intellectual property, commercialize new technologies, build academic partnerships, and access supports to de-risk innovation. Through this initiative NEIA works one-on-one with firms to identify key needs or opportunities, the appropriate programming, and then brokers relationships with its educational institution and government partners to provide the supports the firms require.



Export and International Business Network

NEIA's Export and International Business Network is a group of firms in the environmental sector conducting business or looking to explore opportunities abroad. Through the network NEIA helps companies engage each other to work together cooperatively, enhance their international business / export potential, and to accomplish what individual businesses working in isolation are unable to do.

2015/16 Policy Recommendations



In November of 2015, NEIA published a document outlining provincial policy recommendations in support for growing Newfoundland and Labrador's green economy.

"Over the course of the past five months, NEIA has engaged its members, industry associations, interest groups, and environmental professionals on what they saw as obstacles to and opportunities for the growth of our province's green economy," said Ted Lomond, NEIA's Executive Director. "The result is a series of policy recommendations, ranging from economy-wide interventions to firm-level supports, which we will discuss with our government partners."

The policy document, which addresses opportunities in areas ranging from innovation, to public transportation, to carbon pricing, to environmental enforcement, can be downloaded at <http://neia.org/recommendations/>. Lomond noted that the priorities which emerged from consultations were organized in the document in to four distinct areas: recommendations which support (1) the growth of the provincial green economy at large; (2) environmental sector business operations; (3) firm-level growth; and (4) specific environmental / economic issues.

"This is intended to be a living document," explained Lomond. "We welcome further commentary and input from all stakeholders on the recommendations we have made, with an eye to fostering green economy growth in Newfoundland and Labrador in the best way that we can." To facilitate broad

discussion, NEIA created online tools at www.neia.org/policy, where comments can be made directly on each recommendation.

"Our members, who were extensively consulted in the development of this document, are hopeful that discussion around these recommendations leads to a sustained dialogue between government, industry, academia, and the public on the future of green business in Newfoundland and Labrador," said Lomond.

Lomond indicated that NEIA and its members stand by to work with government on environmental sector priorities. "NEIA is an able and willing partner, and is prepared to aid in any way that it can in the exploration and implementation of our recommendations."

"We welcome further commentary and input from all stakeholders on the recommendations we have made, with an eye to fostering green economy growth in Newfoundland and Labrador in the best way that we can."

*NEIA Executive Director
Ted Lomond*



Deborah A. Muir
Chartered Professional Accountant
Certified General Accountant

AUDITOR'S REPORT

To the Members of:
Newfoundland and Labrador Environmental Industry Association

I have audited the statement of financial position of Newfoundland and Labrador Environmental Industry Association as at October 31, 2015 and the statements of operations and net assets and cash flow for the year then ended. These financial statements are the responsibility of the organization's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the organization as at October 31, 2015 and the results of its operations and its cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.



CHARTERED PROFESSIONAL ACCOUNTANT

March 21, 2016
St. John's, NL

NEWFOUNDLAND AND LABRADOR ENVIRONMENTAL INDUSTRY ASSOCIATION

**STATEMENT OF FINANCIAL POSITION
AS AT OCTOBER 31, 2015**

ASSETS

	2015	2014
CURRENT		
Cash	\$ 15,789	\$ 28,547
Guaranteed investment certificates (Note 4)	84,211	83,207
Accounts receivable (Note 2)	184,555	96,511
Prepaid expenses	16,499	9,748
	301,054	218,013
CAPITAL ASSETS (Notes 1 & 3)	21,139	28,680
	\$ 322,193	\$ 246,693

LIABILITIES

CURRENT		
Accounts payable and accruals (Note 5)	\$ 30,717	\$ 5,649
	30,717	5,649

NET ASSETS

UNRESTRICTED NET ASSETS	291,476	241,044
	\$ 322,193	\$ 246,693

NEWFOUNDLAND AND LABRADOR ENVIRONMENTAL INDUSTRY ASSOCIATION

**STATEMENT OF OPERATIONS AND NET ASSETS
FOR THE YEAR ENDED OCTOBER 31, 2015**

	2015	2014
RECEIPTS (Note 6)	\$ 779,234	\$ 638,347
EXPENDITURES		
Advertising and promotion	8,616	20,669
Amortization	8,984	6,185
Bad debts	-	530
Conferences, workshops, seminars	105,363	96,712
Fees and dues	2,632	1,931
Insurance	4,169	4,107
Interest	2,422	1,201
International consultants	173,245	109,025
Municipal taxes	3,211	3,309
Office and administration	10,236	13,785
Professional development	11,027	10,055
Professional fees	25,319	35,194
Rent	55,746	63,581
Salaries and benefits	268,939	261,035
Travel	49,728	13,575
	729,637	640,894
EXCESS OF RECEIPTS OVER EXPENDITURES	49,597	(2,547)
OTHER INCOME (EXPENSES)		
Interest income	835	474
	835	474
NET INCOME (LOSS)	50,432	(2,073)
NET ASSETS , beginning of year	241,044	243,117
NET ASSETS , end of year	\$ 291,476	\$ 241,044

NEWFOUNDLAND AND LABRADOR ENVIRONMENTAL INDUSTRY ASSOCIATION

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED OCTOBER 31, 2015**

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Excess of receipts over expenditures	\$ 50,432	\$ (2,073)
Adjustments for:		
Amortization of tangible assets	8,984	6,185
Other	1,005	-
	60,421	4,112
CHANGES IN NON-CASH WORKING CAPITAL BALANCES		
(Increase) decrease in marketable securities	(1,004)	-
(Increase) decrease in accounts receivable	(88,044)	4,444
Increase in prepaid expenses	(6,751)	(6,631)
Increase (decrease) in accounts payable and accruals	25,068	(6,272)
Increase in deferred revenue	-	-
	(70,731)	(8,459)
	(10,310)	(4,347)
CASH FLOWS FROM INVESTING ACTIVITIES		
Increase in capital assets	(1,444)	(32,915)
	(1,444)	(32,915)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(11,754)	(37,262)
NET CASH AND CASH EQUIVALENTS, beginning of year	111,754	149,016
NET CASH AND CASH EQUIVALENTS, end of year	\$ 100,000	\$ 111,754
CASH IS COMPRISED OF:		
Cash on hand	\$ 125	\$ 108
Cash in bank	15,664	28,439
Guaranteed Investment Certificates	84,211	83,207
	\$ 100,000	\$ 111,754

NEWFOUNDLAND AND LABRADOR ENVIRONMENTAL INDUSTRY ASSOCIATION

**NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2015**

2015 **2014**

GENERAL

The Newfoundland and Labrador Environmental Industry Association is a provincial organization offering programs to promote the growth and development of the environmental industry in Newfoundland and Labrador. It is incorporated under the laws of the Province of Newfoundland and Labrador and is exempt from income taxes as a not-for-profit organization pursuant to paragraph 149 (1)(l) of the Income Tax Act.

1. SIGNIFICANT ACCOUNTING POLICY

The accounting policies of the organization are in accordance with Canadian accounting standards for not-for-profit organizations applied on a basis consistent with that of the proceeding year. Outlined below are those policies considered particularly significant.

(a) Government funding is recognized as revenue when funding is approved by the respective government agency.

Funds received from sponsorship and event funding and luncheon and seminar registration are recorded as revenue immediately upon receipt.

Rental income is recognized in the period covered by the rental payment which is on a monthly basis.

(b) Newfoundland and Labrador Environmental Industry Association follows the restricted fund method of accounting for contributions.

The General Fund accounts for all of the organization's program delivery and administrative activities. This fund reports unrestricted resources and restricted operating grants.

(c) Amortization of Capital assets is recorded on a declining balance basis at the undernoted rates except in the year of acquisition when one half such rates are applied to the cost of additions. No amortization is recorded in the year of disposition.

Furniture & fixtures	20%
Computer equipment	55%

2. ACCOUNTS RECEIVABLE

Trade and other receivables	\$ 16,223	\$ 24,593
Funding receivable	154,473	54,503
Receivable from employees	9,496	-
HST receivable	<u>4,363</u>	<u>17,415</u>
	<u>\$ 184,555</u>	<u>\$ 96,511</u>

3. CAPITAL ASSETS

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net 2015</u>	<u>Net 2014</u>
Furniture & fixtures	\$ 23,059	\$ 6,358	\$ 16,701	\$ 20,259
Computer equipment	<u>15,235</u>	<u>10,797</u>	<u>4,438</u>	<u>8,421</u>
	<u>\$ 38,294</u>	<u>\$ 17,155</u>	<u>\$ 21,139</u>	<u>\$ 28,680</u>

NEWFOUNDLAND AND LABRADOR ENVIRONMENTAL INDUSTRY ASSOCIATION

**NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2015**

	2015	2014
4. GUARANTEED INVESTMENT CERTIFICATES		
The balance consists of the following:		
(a) A guaranteed investment certificate with a principal balance of \$31,388 at an interest rate of 0.6% per annum, maturing on May 12, 2016.		
(b) A guaranteed investment certificate with a principal balance of \$52,823 at an interest rate of 0.85% per annum, maturing on May 12, 2016.		
5. ACCOUNTS PAYABLE AND ACCRUALS		
Trade and other payables	\$ <u>30,717</u>	\$ <u>5,649</u>
6. RECEIPTS		
Atlantic Canada Opportunities Agency - BDP	\$ 199,462	\$ 216,848
Conferences, workshops and seminars	107,328	77,486
Labour Market Partnerships funding	103,207	96,793
Memberships	63,024	51,539
Project grants, Globe/Caribbean	269,064	165,774
Rental income	<u>37,149</u>	<u>29,907</u>
	<u>\$ 779,234</u>	<u>\$ 638,347</u>
7. ECONOMIC DEPENDENCE		

Approximately 45% of the Association's Core Funding is received from the Atlantic Canada Opportunities Agency. The loss of funding from this Agency could have a material adverse effect on operations. As of October 31, 2015, approximately 73% of the Association's accounts receivable were owing from the Agency, thereby increasing the level of credit risk due to the concentration of the accounts receivable.

2015/16 Event Sponsors

NEIA is thankful for the support of the following organizations who sponsored activities and programming in 2015/2016



Business, Tourism, Culture and Rural Development



Atlantic Canada Opportunities Agency

Agence de promotion économique du Canada atlantique



Leslie Grattan & Associates Inc.

NEIA would like to thank the Atlantic Canada Opportunities Agency (ACOA) and the Department of Business, Trade, Culture, and Rural Development (BTCRD) for their financial contribution to NEIA and their continued support of the growth of the green economy in Newfoundland and Labrador.



**Business, Tourism, Culture and
Rural Development**



Atlantic Canada
Opportunities
Agency

Agence de
promotion économique
du Canada atlantique

Canada