

2019-20



Newfoundland and Labrador
Environmental Industry Association

ANNUAL REPORT

2019-20



THE NEWFOUNDLAND & LABRADOR ENVIRONMENTAL INDUSTRY ASSOCIATION

ANNUAL REPORT

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Message from the Chair



Brian Taite
Chair of NEIA

At the time that this report will be published, the world is enduring a health and economic crisis like never seen before. The situation has hit Newfoundland and Labrador especially hard, and it is difficult to predict what the future will hold for us.

It is a challenge to reconcile the uncertainty of that future with what was by many accounts an extraordinary year for NEIA. But in the coming months and years, it will be more important than ever for us to celebrate our successes. In that spirit, I would like to use this space to highlight some of the many achievements of the association this past year.

As a professional working within the province's oil and gas industry, I am particularly proud of the work that we have done to pursue sustainable growth in that area. The increased development and application of clean technology in oil and gas not only represents an important economic growth opportunity for Newfoundland and Labrador – it also contributes to the long-term sustainability of an industry that is a cornerstone of our economy. This past year we have developed and fostered a number of key relationships that will allow us to make a very tangible contribution in this regard; we have commissioned important research, educated stakeholders through a number of targeted workshops, and have helped firms engage internationally to understand and pursue related opportunities. In collaboration with our partners, we are pursuing a number of very important initiatives in the coming year – stay tuned.

Continuously improving upon the environmental performance of natural resource industries, such as offshore oil and gas, must be part of the solution if we are going to achieve the targets Canada has agreed to as part of the Paris Accord. The solutions we create here can be exported worldwide. But the development of Newfoundland and Labrador's substantial renewable energy resources represents one of the best contributions this province can make in the fight against climate change. This past year NEIA has been working diligently with the province's Department of Natural Resources towards the development of a strategy that will identify opportunities and potential pathways to achieve this. Whether it is wind or water, if we can find ways to access markets that require clean energy, we can attract significant investment and diversify

our economy through the development of these resources. This work is ongoing and we hope to see priorities actively being pursued in 2020.

While working within and supporting the objectives of the private sector are top priorities for NEIA, in 2019 we have also been making a significant contribution to our communities. NEIA was one of just 15 organizations across the country selected by the Federation of Canadian Municipalities to deliver their 'Transition 2050' programming to cities and towns. Over the past 12 months, NEIA has helped six communities - Baie Verte, Bauline, Paradise, Port aux Basques, Stephenville, and Torbay – quantify their greenhouse gas emissions and put in place plans to reduce them. In year ahead, NEIA will actually facilitate investments into each of these communities to begin the implementation of these plans. We are delighted to have attracted \$500,000 of investment to Newfoundland and Labrador through its pursuit and administration of this program.

These are just some of the initiatives that NEIA has led or participated in during 2019-2020 that will have impacts for many years to come. I hope that you take the opportunity to read through this report to get a sense of the breadth and scope of work that your association and its staff are engaged in. I would like to note that none of this would have been possible without the continued support of the provincial Department of Tourism, Culture, Industry and Innovation (TCII), and the Atlantic Canada Opportunities Agency (ACOA), and on behalf the organization I thank them for their investment in the work that we do.

NEIA is making very tangible contributions to the growth and diversification of Newfoundland and Labrador's economy – and that work will be more important than ever in the challenging times before us. Should your business be having trouble finding its path forward through this crisis, I implore you to connect with NEIA's staff who have been doing their best to stay intimately informed of the various support programs being rolled out by government, and who have been advocating on your behalf regarding the challenges and circumstances that have been left unaddressed.

Newfoundlanders and Labradorians are by nature a resilient bunch, and I have no doubt that we will make it through to the other side. NEIA will be hard at work doing whatever it can to support you.

A handwritten signature in black ink, appearing to be 'B Taite', written in a cursive style.

Message from the Executive Director



Kieran Hanley
Executive Director, NEIA

As global interest and pressures around climate change, clean growth, clean technology, environmental performance, etc. continue to intensify, as does NEIA's pursuit of the related business and economic development opportunities.

That is why in May of last year we engaged the provincial Department of Tourism, Culture, Industry and Innovation (TCII) and the Atlantic Canada Opportunities Agency (ACOA) to form a steering committee with the objective to develop a growth strategy for the Newfoundland and Labrador's clean technology and environmental services sector. The timing was right for NEIA to identify key priorities with respect to supporting business entrepreneurship, innovation, and acceleration within the sector. Much work has gone into this initiative over the past eight months, and throughout we have regularly been engaged with our membership and more broadly with external government and industry stakeholders. We are keeping an open mind about where this leads the association, and you can see the step-by-step results of our efforts documented online at <https://neia.org/sectorgrowth/>. We expect this initiative to conclude this Spring, and are excited to put ourselves in the best position possible to support clean growth in Newfoundland and Labrador.

NEIA has also been leading an initiative, in collaboration with its industry partners, to develop an attraction and retention strategy for Newfoundland and Labrador's technology sector. We have heard time and time again from our members that are in expansion mode that they are having trouble finding and keeping the talent that they need to feed the demands accelerated growth. In response, we have been busy through 2019 and 2020 acquiring and analyzing data about what skills are in demand and will be demanded in the province in the years to come. With that information we are developing approaches for the sector-at-large to employ and also tools at the firm-level to assist businesses with their individual needs. This work is anticipated to conclude in the Summer, and we are excited to unveil the results of this very extensive collaboration.

With these high-level initiatives complete mid-year, we will be doubling our efforts to provide firm-level services and value to our members. The timing could not be more

important. Our province was facing enormous economic challenges even before the spread of the COVID-19 virus. Now the future is even more uncertain, on an international scale. However, into the long term the world will continue to need the products and services that facilitate sustainable economic development and clean growth. NEIA and its members will be a shining light for Newfoundland and Labrador in the tough times ahead. And our staff will be there every step along the way to help your business become more productive, pursue innovation, engage internationally, and advocate on your behalf.

I would like to thank our staff – Abbie Lacey, Joanne Strugnell, Matt Rumboldt, and Tania Heath – for their determination and excellence this past year. It is a team that has punched well above its weight. I am very proud of the work that NEIA was able to accomplish, and I believe that we can play an important role in advancing this province's economy. To that end, it is incumbent on us to ensure that this association can continue its work into the long-term exclusive of the state of public finances. Increasing the resiliency of NEIA will be a focus of mine as NEIA approaches 30 years of operations.

A handwritten signature in black ink that reads "Kieran Hanley". The signature is written in a cursive, flowing style.

WORKING FOR OUR MEMBERS

NEIA staff works one-on-one with its members to identify opportunities to increase their productivity and competitiveness, exploit growth opportunities, and pursue the commercialization of new products and services. NEIA also represents the sector's interest at large with its provincial and federal partners.

Environmental Assessment Reform

NEIA has partnered with the Department of Municipal Affairs and Environment in its review and reform of provincial environmental assessment regulations and procedures. NEIA submitted a comprehensive series of recommendations based on engagement within its membership, and will soon be working with the department in its efforts to consult with key stakeholders on its findings thus far. NEIA believes that a robust regulatory framework that is consistent and provides certainty for proponents will be to the benefit of both the environment and the provincial economy.

Waste Management Review

There are enormous waste management challenges in Newfoundland and Labrador – but with these challenges comes opportunity. NEIA worked with its membership to provide the provincial government with a series of targeted recommendations for its consideration in its review of Newfoundland and Labrador's waste management strategy. NEIA was happy to see that many of its positions were reflected in the report and looks forward to working with government towards the development and implementation of a new waste management plan for the province.

Renewable Energy Planning

Newfoundland and Labrador has vast renewable energy resources that can be developed. In the

Fall of 2019 the Department of Natural Resources established a committee to shepherd the development a strategy which will outline how the province can best exploit these clean growth opportunities. NEIA and several of its members are participants of this committee, leveraging information NEIA gleaned through a comprehensive engagement within the private sector that took place in 2018-19. NEIA looks forward to the results of this strategy in 2020.

CleanTech Innovation Connector

A multi-faceted event during Newfoundland and Labrador's Innovation Week that fosters the growth of the province's clean technology sector. Targeted and happenstance engagements between clean technology stakeholders take place through a series of separate events - research and business matchmaking, co-working, and in 2019 a luncheon featuring a key new Canadian innovation agency.

CleanTechWest

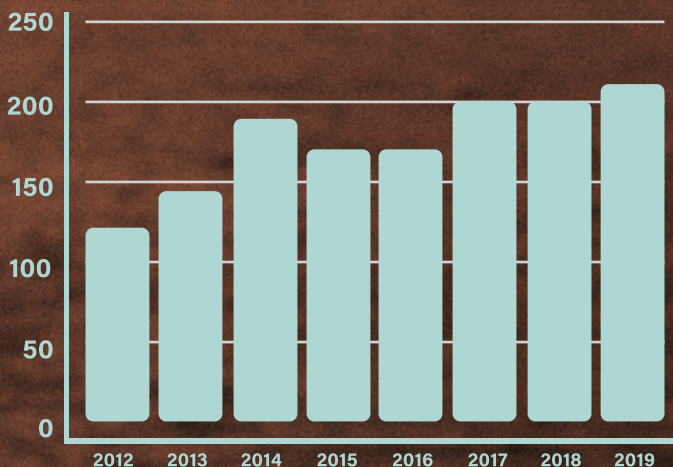
Taking place in the Winter of each year, CleanTechWest is a workshop in Corner Brook that explores clean technology and green economy business opportunities specific to the Western region. 2019's event featured presentations relating to renewable energy, climate change, forestry, and waste management.

Newleef 2019

Newleef is Newfoundland & Labrador's green economy and clean technology conference - the one event during the year that brings environmental entrepreneurs, professionals, researchers, decision-makers, regulators, support agencies, and other stakeholders in the province together to network and learn about current trends and opportunities in the sector. This year was the eighth iteration of the event, drawing 200 attendees and featuring sessions focused on exploring the opportunity in and around electrification, identifying the renewable energy possibilities, promoting the province's world-class environmental characterization and monitoring cluster, highlighting clean growth initiatives in municipalities, and more.



NEWLEEF ATTENDEES



Newfoundland & Labrador's Green Economy & Clean Technology Conference





Minister Hon. Derrick Bragg
Municipal Affairs and Environment



Newleaf Conference Social
Holiday Inn, St. John's



Kieran Hanley
Executive Director, NEIA



Day One of Newleaf 2019



Chris Turner, Keynote Speaker
Sustainability & Global Cleantech Expert

REPRESENTING OUR MEMBERS

NEIA represents its members' interests through a number of formal partnerships, committees, and initiatives, including:

- CanadaCleantech Alliance
- NL Clean Technology Working Group
- Electric Vehicle Working Group
- MMSB Solid Waste Management Innovation Fund Committee
- Canada's Ocean Supercluster
- Memorial University Public Engagement Education & Training Steering Committee
- NEIA/Noia Clean Technology / Oil and Gas Committee
- Technology Sector Work Plan – Co-Chair
- Forestry Sector Work Plan Committee Member
- Regional Trade Network – Co-Chair
- TradeNL
- Atlantic Canada Trade and Investment Growth Strategy (ATIGS)
- Regional Innovation Systems Initiative (Burin Peninsula / Clarenville)
- PEOPLE Network
- TeamGrowNL

TeamGrowNL



**EXPORTING OUR
CLEANTECH &
ENVIRONMENTAL
EXPERTISE**



SINCE 2014:



**7 OUTBOUND
CARIBBEAN
MISSIONS**

Internationalization is critical for the growth of Newfoundland and Labrador’s economy, and within a sector where there are often limited domestic applications for products and services. This is why one of NEIA’s primary objectives is to help its members engage in international business through export, partnerships, etc. Our staff works with our members one-on-one to assist them in the identification and pursuit of opportunities, and also runs a comprehensive program of activities to support export to Caribbean markets.

Caribbean Mission

Though the climates may differ substantially, Newfoundland & Labrador and markets in the Caribbean region face challenges that are alike. As small, mostly island economies, the jurisdictions face similar effects of climate change, coastal zone erosion, and strive to provide efficient and economical environmental services when scale is difficult to achieve and major markets are distant.

There is a long history of trade between Newfoundland and Labrador and the Caribbean region, dating back to the export of salt fish in exchange for rum, and today our firms are well positioned to provide solutions to familiar challenges being faced in the Caribbean.

This is why NEIA has been helping firms from all over Atlantic Canada actively pursue opportunities in the Caribbean since 2014. This year NEIA hosted a seminar identifying key opportunities in target markets, and facilitated its seventh business development mission to the region.

Core program elements are:

- Information and training sessions to build capacity and awareness of business opportunities in the region;
- Design of company-specific market entry strategies that are informed by tailored market research and help firms to prioritize select geographic markets and prepare for business development activity within the region (nearly 30 organizations have been supported to develop a customized Caribbean Market Entry Strategy to date);
- Trade missions to the Caribbean (7 outbound missions completed to-date, with another scheduled for later this Spring);
- Post-mission mentorship to support trade mission delegates in advancing leads and commercial opportunities identified during the course of Trade Missions to the region;
- Targeted inbound market visits to showcase Atlantic Canadian capabilities and grow both B2B and inter-governmental relations.



**ALMOST 30 MARKET
ENTRY STRATEGIES
FOR BUSINESSES
DELIVERED**



**9 CARIBBEAN
WORKSHOPS &
INCOMING MISSIONS**

TradeNL

NEIA is the driving force behind TradeNL. TradeNL is a collaboration between industry groups – representing multiple sectors of Newfoundland and Labrador’s economy – working towards job creation and economic development in the province through the support of increased trade and investment activities. TradeNL facilitates the sharing of information and resources between industry groups in Newfoundland and Labrador, from opportunities and initiatives to market intelligence and strategy, for the benefit of their collective memberships.

Let’s Talk Exports

NEIA welcomed Join Peter Hall, Export Development Canada’s Vice-President and Chief Economist, to Newfoundland and Labrador at a luncheon to help its members learn from his insights on the global economy. The event also featured a Q&A with a panel of local businesses who shared their export experiences.



LET'S TALK EXPORTS

Global Insights
with Peter Hall

ST. JOHN'S
JUNE 6





BUILDING, ATTRACTING & RETAINING TALENT



SUBWAY

Newfoundland and Labrador's most important resource is its talent, and NEIA plays an important role in helping to develop and foster skills related to clean technology and environmental services. It is also well understood within industry that for the province to succeed in the years to come, it must attract and retain new skilled labour. NEIA is working on a number of initiatives to improve the province's position in this regard.

Tech Sector Attraction and Retention Strategy

As a Co-Chair of the province's Technology Sector Work Plan, NEIA has been leading an initiative that will result in the development of an attraction and retention strategy for the technology sector within Newfoundland and Labrador. 'Technology' is used here in the broadest sense, with an understanding that beyond IT/software, tech knowhow and skills are increasingly being demanded and required throughout industry and the economy at large. In collaboration with its partners, NEIA will be releasing this strategy in 2020.

TeamGrowNL

TeamGrowNL is an initiative that aims to help local businesses meet their human resources needs by providing key information regarding immigration and the attraction of expatriate Newfoundlander and Labradorians living abroad. NEIA administrates this initiative on behalf of its industry partners.

MentorSquad

NEIA is a partner in the MentorSquad initiative - a group mentoring program focused on connecting experienced mentors with NL-based technology entrepreneurs. This past year the MentorSquad facilitated the training of a new wave of mentors, and hosted four events to help local firms access their combined knowledge and experience.

Training and Professional Development

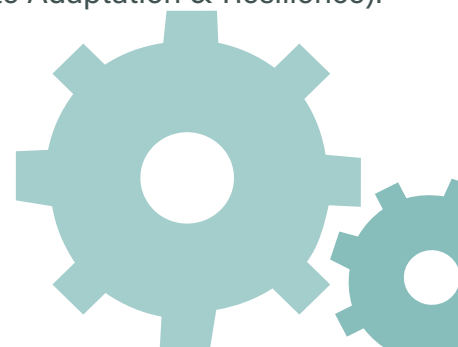
Each year NEIA develops, hosts, or facilitates a series of training and professional development opportunities to increase the capacity of workers in the province engage in and drive the green economy.

- Environmental and Regulatory Compliance Project Management
- Erosion and Sediment Control Practitioner Course
- Environmental Field Procedures for Works in and About Water Practitioner Course
- Contaminated Sites Health & Safety Training and Refresher
- Green Municipal Buildings

Training Courses in Partnership with the CSA Group

In **November of 2019**, NEIA facilitated the delivery of a series of training courses in partnership with the CSA Group to better prepare environmental professionals in Newfoundland and Labrador to apply the 'climate lens' as is now being required for many federally and provincially funded infrastructure and community projects. Through five days of instruction, participants were provided the skills necessary to engage in work relating to the ISO 14064 series (GHG Inventories & Measuring Carbon Footprint, GHG Projects and Reducing Environmental Impact, Greenhouse Gas Verification and Validation) and ISO 31000:2018 (Risk Management for Climate Adaptation & Resilience).

NEIA helped over 85 environmental professionals build new skills and credentials in 2019



A full-page background image of a sunset over the ocean. The sun is low on the horizon, creating a bright glow and a shimmering path of light across the water's surface. The sky is a deep orange and yellow, and the water is dark with golden highlights from the sun.

**LEVERAGING OUR
OCEAN HISTORY
FOR FUTURE
ECONOMIC GROWTH**

Newfoundland and Labrador was settled hundreds of years ago because of its rich ocean resources, and the ocean continues to drive our economy today. Whether its our fisheries, the offshore oil and gas industry, aquaculture, or providing support to all of the above, there are economic growth opportunities associated with exploiting and building our expertise as it relates to the blue economy.

The oil and gas industry is responding internationally to climate change and other environmental challenges, and clean technology is playing a critical role in this advancement. Newfoundland and Labrador’s offshore industry needs to prepare and respond accordingly, and with that comes opportunity. NEIA has partnered on a number of initiatives towards this pursuit.

Business Development Mission to Norway

NEIA led a delegation of 7 firms to various locations in Norway to learn how environment and economy are being simultaneously pursued from a region leading the world in this respect.

Research Commissioned

NEIA procured a high-level study to build local knowledge about the products, services, and approaches that are being applied in leading jurisdictions to reduce the greenhouse gas emissions produced from offshore oil and gas activities.

Sustainability & the Offshore Seminar

NEIA hosted a seminar in partnership with Noia and the Canadian Association of Petroleum Producers (CAPP) which featured international speakers who provided insight on the importance of the industry being viewed as part of the climate change solution, and the steps that other jurisdictions have taken in pursuit of net-zero objectives.



Gareth Wynn, Stakeholder and Communications Director, OGUK

Our expertise in ocean industries also creates opportunities for firms in global offshore wind energy development. Though this industry has not yet emerged in Canada's waters, many firms from Newfoundland and Labrador are well-positioned to participate internationally in an industry that is exponentially expanding.

Research Commissioned

NEIA procured strategic insight into the types of products, services, and businesses in Newfoundland and Labrador that may have opportunities to engage in the international offshore wind energy industry, and how. Results from this work have helped to inform NEIA's approach going forward.

Workshops

NEIA hosted two workshops in 2019 which examined opportunities within the international offshore wind energy industry, and provided insight as to how firms from Newfoundland and Labrador could pursue them.

NEIA is continuing to actively drive awareness of and provide supports in relation to the blue economy and its clean technology and environmental services opportunities for Newfoundland and Labrador businesses.

In support of these priorities, NEIA leads an international business development program which is assisting firms throughout Atlantic Canada explore environmental business opportunities related to ocean industries with a focus on European markets and networks.





An aerial photograph of a residential neighborhood, showing numerous houses with dark roofs and some trees. The entire image has a strong green tint. The text is overlaid on the left side of the image.

**SUPPORTING
GREENER
COMMUNITIES IN
NEWFOUNDLAND &
LABRADOR**

Working Directly with Municipalities

NEIA, with funding from the Federation of Canadian Municipalities (FCM) is working with six municipalities across the province to help them explore and pursue greenhouse gas emissions reductions opportunities. NEIA is one of thirteen organizations across Canada that has been selected to build a network of communities and support them as they develop long-term plans and projects contributing to a low carbon transition by 2050 in alignment with

the target date as set out by the Paris Agreement.

Participating municipalities include: Baie Verte, Bauline, Paradise, Port aux Basques, Stephenville, and Torbay.

Carbon Offset Challenge

In the Fall of 2019 NEIA issued a challenge to business to help offset 5,000 tonnes of the province's greenhouse gas emissions. NEIA is providing businesses throughout the province with the guidance and resources required to understand their environmental impact, and then information on how they can offset their GHs. The offsets being used are special as they are the first ever to be generated, verified, certified, and

sold from within Newfoundland and Labrador - with 50% of the proceeds from the transactions go directly to the municipalities that helped generate them.



**6 COMMUNITY
GHG INVENTORIES
COMPLETED**



**6 LOCAL GHG
REDUCTION
ACTION PLANS
DEVELOPED**



**\$500,000 TOTAL
INVESTMENT IN
NEWFOUNDLAND
& LABRADOR**



**EMISSIONS
REDUCED: TBD**



CHARTING A FUTURE COURSE

In May of 2019, the Newfoundland and Labrador Environmental Industry Association (NEIA) engaged the provincial Department of Tourism, Culture, Industry and Innovation (TCII) and the Atlantic Canada Opportunities Agency (ACOA) to form a steering committee with the objective to develop a growth strategy for the clean technology and environmental services sector.

Partners agreed that the timing was right for NEIA to identify key priorities with respect to supporting business entrepreneurship, innovation, and acceleration within the sector. This decision was based on the recent publication of numerous provincial public/private industry growth strategies, the release of the province's climate change action plan, the commencement and anticipated conclusion of a number of relevant initiatives, and

a continued robust interest in the sector from the federal government.

An important first step in this process was to undertake a **situational analysis** to understand the context from which a strategy should be developed. This situational analysis (Phase 1 of the initiative) was divided into three separate components.

PART ONE: LITERATURE REVIEW

The first component developed for the situational analysis was a literature review of newly available strategic publications relevant to Newfoundland and Labrador's clean technology and environmental services sector. A wide variety of stakeholders were consulted to assist in compiling the list of publications to be reviewed – a list that

included key industry and relevant geographic strategies. These stakeholders were again engaged to provide insights related to the literature review's findings. The materials summarized in this literature review would be used to help establish priorities for the clean technology and environmental services sector.

PART TWO: INNOVATION & SUPPORT ECOSYSTEM

The second component developed for the situational analysis was a cataloguing of existing supports (program and/or financial) that are (or have recently been) accessible to assist firms in Newfoundland and Labrador's clean technology and environmental services sector. Mapping

the ecosystem in this regard will be essential in understanding what programming already exists that can be leveraged to support the growth of the sector's established priority areas – and in identifying possible gaps that may act as barriers.

CHARTING A FUTURE COURSE

PART THREE: GROWTH STRATEGIES & SUPPORTING POLICIES

The third component developed for the situational analysis was to identify clean technology and environmental growth strategies deployed in leading Canadian jurisdictions, and gain an understanding of best-practice recommendations that have been made and acted upon in support

of the sector. As Newfoundland and Labrador establishes its key priorities and opportunities for its own sector, this information will provide valuable insight into what actions can be taken in support of the pursuit thereof.

With Phase 1 complete, Phase 2 – Establishing Priorities began with an analysis of the literature review to identify any ‘themes’ that emerged – commonalities in terms of ideas, concepts, challenges, opportunities, objectives, etc. Given the relatively small size of the sector in Newfoundland and Labrador, it was agreed that the resulting strategy would be more impactful if it focused on areas that were cross-sectoral in their application as opposed to specific elements of individual industries. This ensured a diversified approach to sector growth and by design would encourage cross-sectoral collision and collaboration.

Through a comprehensive approach that weighed qualitative and quantitative information, the following four themes emerged as being priorities for support in growing Newfoundland and

Labrador’s clean technology and environmental services sector: environmental characterization and monitoring, waste management, clean energy (including electrification and renewables), and operational efficiency. For more information on what types of business activities are included in these ‘micro-clusters’ – and a step-by-step documentation of the process thus far – visit www.neia.org/sectorgrowth.

During Winter and Spring of 2020, NEIA and its Board of Directors will work with members, government partners, and key industry stakeholders to develop a deliberate strategy to grow the sector utilizing economic development best practices according to these micro-clusters of activity. The results of this work will, in turn, guide NEIA’s activities through the 2020s.



Clean Technology and Environmental Services
**Sector Growth
Strategy**

Newfoundland and Labrador Environmental Industry Association

2019 NEIA INDUSTRY AWARDS



NEIA celebrates winners of Newfoundland and Labrador Environmental Industry Awards

The Newfoundland and Labrador Environmental Industry Association (NEIA) is celebrating the achievements of four members who are the winners of the province's Environmental Industry Awards.

"While we are in the midst of a health and economic crisis, it is important for us to celebrate the successes and achievements of our province's business leaders," said Kieran Hanley, NEIA's Executive Director. "These are the companies and individuals that are going to help lead Newfoundland and Labrador out of the darkness of today and into the bright future that we know is within our grasp."

NEIA's Industry Awards program features winners in four categories:

The **Cleantech Innovation Award** recognizes achievement in research and development, commercialization, and/or refinement of products, services, or processes that can mitigate effects to, protect, or enhance the environment. 2019's Cleantech Innovation Award has been presented to eDNAtec. "eDNAtec is changing the way we look at environmental characterization and monitoring in our oceans, and is helping to establish Newfoundland and Labrador as a global centre of excellence for research and development in this exciting new field," said Hanley.

The **Environmental Industry Business Excellence Award** recognizes a significant initiative, project, or achievement of a business engaged in Newfoundland and Labrador's green economy. 2019's Environmental Industry Business Excellent Award has been presented to Mysa. "Mysa is a clean technology firm in our province that has been growing at an accelerated rate," said Hanley. "In a few short years it has brought two products to international markets, grown to employ over 60 in its offices in St. John's, and doubled down on its commitment to research, development, and innovation."

The **Cleantech International Business Award** recognizes a significant initiative or achievement of Newfoundland and Labrador business engaged in international business activities relating to cleantech or environmental services. 2019's Cleantech International Business Award has been presented to Compusult. "This past year Compusult made a significant international investment by opening an office in The Hague – from which the company can build on its substantial business interests in Europe," said Hanley.

The **Environmental Industry Champion Award** recognizes the contribution of an individual to the growth of Newfoundland and Labrador's environmental industry. 2019's Environmental Industry Champion Award has been presented to Glenn Sharp. "Glenn has made an extraordinary contribution to the growth of the province's green economy by becoming the first in the province to generate and sell carbon offsets; NEIA is proud to recognize him as an industry champion," said Hanley.

2019 NEIA INDUSTRY AWARDS



Steve Barrett
CEO for eDNAtec

Cleantech Innovation Award eDNAtec



eDNAtec is revolutionizing how to assess, monitor and characterize the ocean through DNA sequencing, supporting the world's ocean industries, including offshore energy, shipping, fisheries and aquaculture. This new generation of biological tracking systems is non-invasive, can be applied with considerably less effort and cost, and has been shown to be an effective monitoring tool in any ocean environment. Its Centre for Environmental Genomics Applications (CEGA) is a one of a kind centre of excellence dedicated to the application of genomics for environmental characterization and monitoring, positioning Newfoundland and Labrador as a global leader in ocean genomics. In 2019, eDNAtec continued its journey commercializing its technology through a series of international projects. They are currently providing biodiversity monitoring solutions to offshore oil and gas operations in various locations. Hibernia Management and Development Company Ltd. (HMDC) has supported the CEGA facility with millions of dollars in funding since 2015. HMDC, and its lead co-venturer ExxonMobil continue to share their local and global industry expertise with CEGA. EDNAtec has also received support from the Government of Newfoundland and Labrador and the Atlantic Canada Opportunities Agency (ACOA).

2019 NEIA INDUSTRY AWARDS



Joshua Green
CEO Mysa

Business Excellence Award Mysa



Supported by investors from across Canada, Mysa has become one of the fastest growing, highly touted local technology companies in the province since its 2016 inception. Its mission is to help the world become more environmentally friendly and sustainable through energy efficiency and conservation, led by innovative technology that enriches our lives. By 2019 Mysa's Smart Thermostats were being installed in homes across Canada and the United States. The company's commitment to innovation is what drives it forward – and this past year two new initiatives stemming from that work were introduced. First, Mysa introduced a brand new product – its in-floor heating thermostat. Second, Mysa independently launched a pilot project to test software that it has in development to assist electricity utilities manage the demand of electricity in peak periods. In the meantime, Mysa has assumed a leadership role in Newfoundland and Labrador's business community when it comes to sustainability, has won a series of national and international awards, and now employs over 60 in its rapidly expanding offices in St. John's, NL.



2019 NEIA INDUSTRY AWARDS



Paul Mitten
Vice-President for Compusult

International Business Award Compusult



Compusult is a global leader in geospatial interoperability, marketing a suite of standards-based applications offering revolutionary solutions for geospatial data discovery, access, and delivery in a wide variety of applications. This past year Compusult expanded its business in the Netherlands by opening its European headquarters in The Hague. The strategic decision will allow the company to have a base for its business operations in Europe and around the world, and enable it to provide more effective support to its client – the NATO Communications and Information Agency (NCI Agency). The initiative was bolstered through international partnerships including the Canadian Embassy in the Netherlands, InnovationQuarter – the regional economic development agency for the greater Rotterdam – The Hague area, and the Netherlands Foreign Investment Agency. Compusult's new location in the Dutch high-tech ecosystem represents a significant step forward in export and international business from a firm that was founded in 1985 in Mount Pearl, NL.

2019 NEIA INDUSTRY AWARDS

Industry Champion Award Glenn Sharp

As the driving force behind the first ever generation, verification, certification, and sale of carbon offsets in Newfoundland and Labrador through Sharp Management, Glenn Sharp (P.Eng) has made a significant contribution to the environmental industry and green economy in the province. Through the design and implementation of engineered wetlands to treat sewage wastewater in the towns of Stephenville and Appleton/ Glenwood, Sharp acquired certification through the CSA (Canadian Standards Association) of 55,071 carbon offsets from offsetting emissions of 50,000 tonnes of CO₂. These local offsets are the cornerstone of NEIA's 'Carbon Offset Challenge', a campaign that is creating awareness within Newfoundland and Labrador's business community on the importance of recognizing and addressing the private sector's environmental impact. Sharp's achievements are but a sign of what is to come in a world that is moving towards a lower-carbon future – where improved environmental performance will directly align with economic opportunity.



Glenn Sharp

OUR BOARD OF DIRECTORS

Brian Taite

Chair

NSB Energy

Ashley Noseworthy

Treasurer

EDGEWISE Environmental

Adam Anderson

Director

Resource Innovations Inc.

Chad Butler

Director

Growler Energy

Melissa English-Barbour

Director

Aker Solutions

Joshua Green

Director

Mysa Smart Thermostats

Deidre Puddister

Director

Pennecon Limited

Jonas Roberts

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Executive Director

Abbie Hodder

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Development

Joanne Strugnell

Manager of Operations

Matt Rumboldt

Marketing and Communications
Coordinator

Tania Heath

Project Coordinator - TeamGrowNL

FINANCIAL STATEMENTS

**NEWFOUNDLAND AND LABRADOR ENVIRONMENTAL
INDUSTRY ASSOCIATION INC.**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED OCTOBER 31, 2019

Draft for discussion purposes only

NEWFOUNDLAND AND LABRADOR ENVIRONMENTAL INDUSTRY ASSOCIATION INC.
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YEAR ENDED OCTOBER 31, 2019

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INDEPENDENT AUDITOR'S REPORT

To the Members of Newfoundland and Labrador Environmental Industry Association Inc.

Opinion

We have audited the financial statements of Newfoundland and Labrador Environmental Industry Association Inc. (the Organization), which comprise the statement of financial position as at October 31, 2019, and the statements of changes in net assets, revenues and expenditures and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at October 31, 2019, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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Independent Auditor's Report to the Members of Newfoundland and Labrador Environmental Industry Association Inc. (continued)

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Mount Pearl, Newfoundland and Labrador
April 14, 2020

CHARTERED PROFESSIONAL ACCOUNTANTS

NEWFOUNDLAND AND LABRADOR ENVIRONMENTAL INDUSTRY ASSOCIATION INC.
STATEMENT OF FINANCIAL POSITION
OCTOBER 31, 2019

	2019	2018
ASSETS		
CURRENT		
Cash	\$ 473,237	\$ 120,627
Term deposits (Note 4)	100,000	86,224
Accounts receivable (Note 5)	41,388	17,071
Harmonized sales tax recoverable	38,206	10,659
Prepaid expenses	4,206	3,209
	657,037	237,790
CAPITAL ASSETS (Note 6)	10,371	13,141
	\$ 667,408	\$ 250,931
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 28,277	\$ 7,621
Wages payable	4,858	2,683
Deferred income (Note 7)	485,231	70,677
	518,366	80,981
NET ASSETS	149,042	169,950
	\$ 667,408	\$ 250,931

Draft for discussion purposes only

NEWFOUNDLAND AND LABRADOR ENVIRONMENTAL INDUSTRY ASSOCIATION INC.
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED OCTOBER 31, 2019

	2019	2018
NET ASSETS - BEGINNING OF YEAR	\$ 169,950	\$ 196,629
DEFICIENCY OF REVENUES OVER EXPENSES	(20,908)	(26,679)
NET ASSETS - END OF YEAR	\$ 149,042	\$ 169,950

Draft for discussion purposes only

NEWFOUNDLAND AND LABRADOR ENVIRONMENTAL INDUSTRY ASSOCIATION INC.
STATEMENT OF REVENUES AND EXPENDITURES
FOR THE YEAR ENDED OCTOBER 31, 2019

	2019	2018
REVENUES	\$ 983,364	\$ 607,833
EXPENSES		
Advertising and promotion	12,980	14,410
Amortization	2,770	3,533
Conferences, workshops, seminars	63,335	116,463
Fees and dues	7,825	2,244
Insurance	4,303	5,000
Interest and bank charges	3,891	3,033
International consultants	140,504	68,806
Municipal taxes	5,154	4,095
Office	19,208	16,691
Professional development	577	3,793
Professional fees	241,632	37,498
Rental	62,700	62,700
Salaries and wages	341,408	276,181
Services in-kind	20,085	-
Travel	79,284	20,882
	1,005,656	635,329
DEFICIENCY OF REVENUES OVER EXPENSES FROM OPERATIONS	(22,292)	(27,496)
OTHER INCOME	1,384	817
DEFICIENCY OF REVENUES OVER EXPENSES	\$ (20,908)	\$ (26,679)

Draft for discussion purposes only

NEWFOUNDLAND AND LABRADOR ENVIRONMENTAL INDUSTRY ASSOCIATION INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED OCTOBER 31, 2019

	2019	2018
OPERATING ACTIVITIES		
deficiency of revenues over expenses	\$ (20,908)	\$ (26,679)
Item not affecting cash:		
Amortization of capital assets	2,770	3,533
	(18,138)	(23,146)
Changes in non-cash working capital:		
Accounts receivable	(24,317)	44,827
Prepaid expenses	(997)	895
Accounts payable	20,656	(6,434)
Deferred income	414,554	70,677
Harmonized sales tax payable	(27,547)	(6,586)
Wages payable	2,175	911
	384,524	104,290
Cash flow from operating activities	366,386	81,144
INVESTING ACTIVITY		
Purchase of capital assets	-	(4,174)
INCREASE IN CASH FLOW	366,386	76,970
Cash - beginning of year	206,851	129,881
CASH - END OF YEAR	\$ 573,237	\$ 206,851
CASH CONSISTS OF:		
Cash	\$ 473,237	\$ 120,627
Term deposits	100,000	86,224
	\$ 573,237	\$ 206,851

NEWFOUNDLAND AND LABRADOR ENVIRONMENTAL INDUSTRY ASSOCIATION INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED OCTOBER 31, 2019

1. PURPOSE OF THE ORGANIZATION

Newfoundland and Labrador Environmental Industry Association Inc. (the "organization") is a not-for-profit organization incorporated provincially under the Corporations Act of Newfoundland and Labrador. Management has determined that they are exempt from payment of income tax under Section 149(1) of the Income Tax Act.

The organization operates to provide programs promoting the growth and development of the environmental industry in Newfoundland and Labrador.

2. BASIS OF PRESENTATION

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Revenue recognition

Newfoundland and Labrador Environmental Industry Association Inc. 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.

Membership fees are recognized as revenue over the fiscal year to which they relate.

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

Government funding is recognized in the period in which the related expenditures are incurred.

Seminar and luncheon registrations, sponsorships, and event funding are recognized as revenue when received or receivable.

Cash and cash equivalents

Cash includes cash and cash equivalents and consist of cash is bank.

Short term investments

Short term investments are carried at fair value.

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NEWFOUNDLAND AND LABRADOR ENVIRONMENTAL INDUSTRY ASSOCIATION INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED OCTOBER 31, 2019

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Capital assets

Capital assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives on a declining balance basis at the following rates:

Computer equipment	55%
Furniture and fixtures	20%

The organization regularly reviews its capital assets to eliminate obsolete items. Government grants are treated as a reduction of capital assets cost.

Capital assets acquired during the year are amortized at half the above noted rates. Assets acquired but not placed into use are not amortized until they are placed into use.

Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

4. TERM DEPOSITS

	2019	2018
Guaranteed investment certificate at an interest rate of 2.15% per annum, maturing May 21, 2020	\$ 35,629	\$ 31,989
Guaranteed investment certificate at an interest rate of 0.5% per annum, maturing July 11, 2020	6,138	-
Guaranteed investment certificate at an interest rate of 1.9% per annum, maturing May 21, 2020	58,233	54,235
	\$ 100,000	\$ 86,224

5. ACCOUNTS RECEIVABLE

	2019	2018
Trade and other receivables	\$ 29,174	\$ 16,621
Accrued funding receivable	11,368	-
Accrued interest receivable	846	450
	\$ 41,388	\$ 17,071

NEWFOUNDLAND AND LABRADOR ENVIRONMENTAL INDUSTRY ASSOCIATION INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED OCTOBER 31, 2019

6. CAPITAL ASSETS

	Cost	Accumulated amortization	2019 Net book value	2018 Net book value
Computer equipment	\$ 15,755	\$ 15,573	\$ 182	\$ 405
Furniture and fixtures	27,977	17,788	10,189	12,736
	\$ 43,732	\$ 33,361	\$ 10,371	\$ 13,141

7. DEFERRED REVENUE

Revenues received and that have been set aside for specific purposes by legislation, regulation or agreement are included in deferred revenue and reported on the Statement of Financial Position. Deferred revenue for year ended October 31, 2019 is \$485,231 (2018 - \$70,677).

8. ECONOMIC DEPENDENCE

The organization's Core Funding is received from the Atlantic Canada Opportunities Agency and the Department of Tourism, Culture, Industry & Innovation. The loss of funding from these sources could have a material adverse effect on continuing operations.

9. LEASE COMMITMENTS

The organization leases premises under a long term lease that expires on January 31, 2020. Under the lease, the organization is required to pay a base rent of \$62,700 for each of the two years of the current term. In addition to the above base rent, the organization must pay for its proportionate share of utilities, property taxes, maintenance and other related costs for the leased premises.

Future minimum lease payments as at year end are as follows:

2020	\$ 15,675
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10. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of October 31, 2019.

(a) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to credit risk from customers, term deposits, and funding organizations. In order to reduce its credit risk, the organization conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The organization has a significant number of customers which minimizes concentration of credit risk. The credit risk with respect to term deposits is insignificant since they are held in large financial institutions.

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NEWFOUNDLAND AND LABRADOR ENVIRONMENTAL INDUSTRY ASSOCIATION INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED OCTOBER 31, 2019

10. FINANCIAL INSTRUMENTS (*continued*)

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, and accounts payable.

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant other price risks arising from these financial instruments.

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NEWFOUNDLAND AND LABRADOR ENVIRONMENTAL INDUSTRY ASSOCIATION INC.
CORE OPERATIONS (Schedule 1)
YEAR ENDED OCTOBER 31, 2019

	2019
Revenue	
Atlantic Canada Opportunities Agency	\$ 204,663
Department of Tourism, Culture, Industry and Innovation	100,000
Membership fees	47,478
Rental income	37,329
Project administration	20,085
Sponsorship	48,197
Interest Revenue	1,384
Cost shared expense recovery	758
Luncheon and seminar registration	105,080
Other revenue	87
Revenue total	\$ 565,061
Expense	
Advertising and promotion	\$ 8,576
Amortization	2,770
Conferences, workshops, seminars	57,287
Fees and dues	7,254
Insurance	4,303
Interest and bank charges	3,891
Municipal taxes	5,154
Office	11,903
Professional development	577
Professional fees	60,796
Rental	62,700
Salaries and wages	310,416
Travel	12,853
Expense Total	548,480
Net income from Core Operations	\$ 16,581

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NEWFOUNDLAND AND LABRADOR ENVIRONMENTAL INDUSTRY ASSOCIATION INC.
SPECIAL PROJECTS (Schedule 2)
YEAR ENDED OCTOBER 31, 2019

	2019
Revenue	
Atlantic Canada Opportunities Agency	\$ 188,650
Luncheon and seminar registration	20,339
Department of Advanced Education, Skills and Labour	105,860
Sponsorship	16,900
Canadian Federation of Municipalities	54,827
Global Affairs Canada	27,590
International business company fees	3,021
Department of Tourism, Culture, Industry and Innovation	2,500
Revenue total	\$ 419,687
Expense	
Advertising and promotion	\$ 4,404
Conferences, workshops, seminars	6,048
Fees and dues	571
International consultants	140,504
Office	7,305
Professional fees	180,836
Salaries and wages	30,992
Services in-kind	20,085
Travel	66,431
Expense total	457,176
Net Income from Special Projects	\$ (37,489)

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**Newfoundland and Labrador
Environmental Industry Association**

**NEIA is a not-for-profit association of
businesses that promotes the development of
clean technology and the growth of the green
economy in Newfoundland and Labrador.**

Visit us at: www.neia.org