

Objectives and Results

The Community Economic Opportunity Program seeks increased participation by First Nation, Inuit and Innu communities in the economy through economic and employment opportunities, access to capital and economic development.

The program provides financial support to First Nation, Inuit and Innu communities and the organizations they mandate, as well as other organizations working on their behalf. The financial support is for activities intended to increase economic and employment opportunities. The activities may include human resource development and employment of community members, development of community-owned and community member businesses, the development of land and resources under community control, access to opportunities from off-reserve lands and resources, promotion of investment in the community, and research and advocacy.

The Community Economic Opportunities Program is expected to lead to community economic benefits including more community employment and related incomes, greater utilization and increased value of land and resources under community control, more community government revenue from economic development, enhanced community economic and other infrastructure, more and better arrangements to access off-reserve resources, more investment in the community, a better climate and environment for community economic development, more and larger community businesses, more contracts and sales for community businesses, and enhanced capacity within the community government to address future economic opportunities.

Community economic benefits are expected to enhance the participation of First Nation, Inuit and Innu communities in the economy beyond the level that would occur in the absence of the program.

Eligible Recipients

□Eligible recipients□ are:

1. Band Councils;
2. Governments of self-governing First Nation and Inuit communities;
3. Other representative organizations of Inuit communities;
4. Organizations mandated by the foregoing to carry out economic development activities on their behalf, including:
 - a. Local governments of Inuit communities;
 - b. Tribal councils;
 - c. First Nation and Inuit economic development corporations, associations, co-operatives, and institutions;

- d. Partnerships and joint ventures involving First Nation and Inuit community members, governments, or economic development organizations;
 - e. Other First Nation and Inuit corporations, associations, co-operatives, and institutions which provide or plan to provide economic development services for the benefit of First Nation and Inuit communities;
 - f. Other Aboriginal corporations, associations, co-operatives and institutions;
5. Non-Aboriginal corporations other than federal Crown corporations, associations, co-operatives and institutions which provide or are planning to provide research and advocacy services for the benefit of First Nation and Inuit communities.

Eligible Projects

Eligible projects will address the following:

- 1. Employment of Community Members, including:
 - a. Human resource planning, including identification of long-term employment opportunities and consensus-building around community priorities;
 - b. Skills inventories and the development of plans to obtain required skills;
 - c. The implementation of plans to obtain required skills in relation to available jobs, where funding is not otherwise available whether through lack of funding authority or budgets;
 - d. Employment advisory services to community members in relation to available jobs;
 - e. Initiatives intended to provide work experience to community members;
 - f. Initiatives to supplement the transition to work measures under INAC's social assistance programs;
 - g. Initiatives to promote the employment of community members; and
 - h. Non-training initiatives to upgrade skills and experience of community members which are not eligible for funding under other federal programs.
- 2. Business Development, including:
 - a. The identification of opportunities on a preliminary basis to be pursued by community entrepreneurs;
 - b. Encouragement of entrepreneurship within the community, including entrepreneurship among youth and women;
 - c. Business information and advisory services, including development of business plans, feasibility and other technical studies (including environmental assessments), the identification of funding sources, and

- d. after-care;
- d. Provision of seed capital to community entrepreneurs through seed capital initiatives;
- e. Entrepreneurial training initiatives related to specific projects which are not eligible for funding under other federal programs or which have been rejected by other federal programs for lack of funds;
- f. Non-training initiatives to upgrade entrepreneur skills and experience (e.g. business mentoring systems); and
- g. Initiatives for community-owned enterprises, including:
 - 1) The development of a corporate business development strategy, including identification and prioritization of opportunities on a preliminary basis and community consensus-building;
 - 2) Organizational development, including the structuring of the corporation or its subsidiaries;
 - 3) Initiatives to upgrade skills and experience of members of the board of directors on the management of corporations; and
 - 4) Initiatives to upgrade skills and experience of community members on their rights and responsibilities regarding the community development corporation
- 3. The development of land and resources under community control, including:
 - a. The assessment of the economic and other potential of community-controlled land and resources, including resource inventories, land and resource valuations, and opportunity identification;
 - b. The development of land and resource usage plans to capture community economic benefits, including community consensus building in relation to the plans;
 - c. The implementation of land and resource usage plans to capture community economic benefits (e.g. development and upgrading of economic infrastructure including non-commercial tourism assets such as interpretative centres and museums, silviculture, site and service development, zoning by-laws);
 - d. Promoting the disposition of community land and resources to potential acquirers; and
 - e. Establishment, including initial implementation, of regulatory, taxation and other regimes necessary to capture community economic benefits but excluding the establishment of self-government regimes; and
 - f. The utilization of municipal financing mechanisms necessary to capture community economic benefits.
- 4. Access to opportunities originating with land and resources beyond community

- control, including:
- a. Identification of economic opportunities related to neighbouring lands, including preliminary resource inventories;
 - b. Pre-negotiation planning, including the community consensus building in relation to negotiating strategies;
 - c. The development of negotiating partnerships with other communities in relation to shared opportunities;
 - d. Negotiations to access or benefit from land and resource development;
 - e. The start-up implementation of negotiated agreements;
 - f. Participation in land-use planning and environmental impact assessment processes for off-reserve lands where participation can be expected to lead to community economic benefits;
5. Promote the community as a place to invest, including:
- a. The identification of opportunities for business relocation to the community or for community tourism development;
 - b. The development of promotional strategies, including community consensus building in relation to the strategies;
 - c. The implementation of promotional strategies, including promotional materials (pamphlets, brochures, videos) and their dissemination.
6. Research and advocacy, including:
- a. Identification and removal of barriers to First Nation and Inuit community economic development;
 - b. Fostering an enabling economic environment in a sector, community or region;
 - c. Facilitating the development of partnering initiatives with targeted public and private corporations, unions, governments, sector stakeholders and First Nation and Inuit representatives;
 - d. Research to gather background materials in order to assess emerging and strategic opportunities, assess the impacts of current practices, identify policy and other alternatives, and assist in the formulation of policies and other solutions;
 - e. Advocacy initiatives to make the case for change; and
 - f. Undertaking activities and developing products (e.g. conferences, videos, TV shows, newspapers and magazines) which promote First Nation and Inuit participation in the economy.

Eligible Expenditures

□Eligible expenditures□ in relation to □eligible projects□ include:

1. Professional and Technical Services;
2. Other personal services;
3. Communications e.g. brochures, booklets, pamphlets, posters;
4. Conferences, workshops and meetings;
5. Training delivery and trainee costs;
6. Work experience initiatives;
7. Economic infrastructure;
8. Salaries and wages;
9. Travel, including transportation, accommodation, meals, allowances;
10. Overheads e.g. rent and
11. Minor office equipment;

Ineligible expenditures include:

1. Any economic development expenditure that would be incurred in the absence of the eligible project;
2. Payments for services that would normally be provided without charge (e.g. honoraria for a community service);
3. The operation, repair and maintenance of the economic infrastructure;
4. Economic infrastructure projects which have a reasonable expectation of capturing construction and operating costs through user fees and other means and can function as commercial enterprises;
5. Infrastructure costs financed, or eligible for financing and likely to be financed, under INAC's Capital Facilities Management Program or other federal programs;
6. Expenditures for economic development services provided by INAC; and
7. Expenditures not related to Economic Development.

Application Requirements

Application requirements include but not limited to::

1. A plan that addresses:
 - a. Project design, including description, objectives, scope and deliverables;
 - b. Uses of funds;
 - c. Identification and justification of costs;
 - d. Management capacity;
 - e. Project organizational structure;
 - f. Administrative arrangements;

- g. Time lines;
- h. Community economic benefits; and
- i. Where appropriate:
 - 1) Compliance with laws and regulations;
 - 2) Environmental effects and proposed mitigation measures;
 - 3) Land tenure requirements; and
 - 4) Operating, maintenance and repair plan;
- 2. A declaration of prospective funds from all sources, including federal, provincial, territorial and other government sources;
- 3. Where appropriate:
 - a. For projects which are not of nation-wide interest, documentation indicating approval of the plan by relevant First Nation, Inuit and Innu communities; and
 - b. Any relevant documentation related to any partnership arrangements and commitments.

The application must be complete, and in detail in keeping with the level of funding being sought.

Applicants may submit a brief Statement of Intent prior to submitting a full application. After reviewing the Statement of Intent, INAC will indicate whether the project meets program criteria, and will advise the applicant on the development of the full application.

Project Approval Criteria

Project approvals will be based on the following criteria:

- 1. The applicant must meet all requirements of an [eligible recipient];
- 2. The project must meet all requirements of an [eligible project];
- 3. Project expenditures to be funded by INAC must be [eligible expenditures];
- 4. The application must be complete and in sufficient detail commensurate with the level of funding being sought;
- 5. The proposed project must generate community economic benefits, and these benefits should exceed INAC costs by a significant amount;
- 6. Any conflicts between the proposed project and a specific or comprehensive claim have been adequately addressed;
- 7. Projects:
 - a. Conforming to priorities in regional program management strategies;
 - b. Generating higher levels of benefit to beneficiary First Nation, Innu and Inuit communities per dollar invested by the Program;

- c. Having regional or community economic impact;
 - d. Generating a wide rather than a narrow range of benefits; and
 - e. Levering the greatest private sector and/or provincial/territorial government funding
- will be given priority;
8. [Eligible recipients] are in compliance with INAC's Management Control Framework regarding audits, reporting and other matters.

Funding Levels

INAC will determine funding levels for approved eligible projects using the following criteria:

- 1. INAC funding will not exceed \$3,000,000;
- 2. INAC's funding will be directly related to the community economic benefits for First Nation, Inuit and Innu communities;
- 3. INAC funding will not exceed 66 or 2/3 percent of the total eligible project cost for implementing economic infrastructure projects;
- 4. INAC funding will not exceed 80 per cent of the total eligible project cost for all other projects; and
- 5. INAC's funding will be limited to the need for funding that has been demonstrated by the eligible recipient.

Terms and Conditions of Funding Agreements

Funding will be provided to the eligible recipient through Contributions. The contribution amount will be amended to an existing funding arrangement with the community, and funds will be disbursed on a payment claim reimbursement basis according to the CEOP payment claim guidelines (provided in the payment claim package). In Contributions, any money paid by INAC is a conditional transfer payment for a specified purpose that must be accounted for and is subject to audit for determining adherence to terms and conditions of payment and for which excess funding, unexpended balances, disallowed expenses, and any funds not disbursed for the purposes of the contribution constitutes debts due to the Crown.

Recipients will incur expenses to undertake the project activities, and then on a periodic basis they will submit payment claims to have the funds reimbursed as they are spent by the recipient. INAC will NOT reimburse any expenses incurred prior to the project approval date, unless permission has been received to do so otherwise. This permission can be obtained through submission of a waiver letter request, which grants the applicant permission to initiate the project prior to project approval. Recipients will be expected to report through the format in the First Nation National Reporting Guide on performance measures based on the INAC Economic Development Activity and Performance Measures Guide.