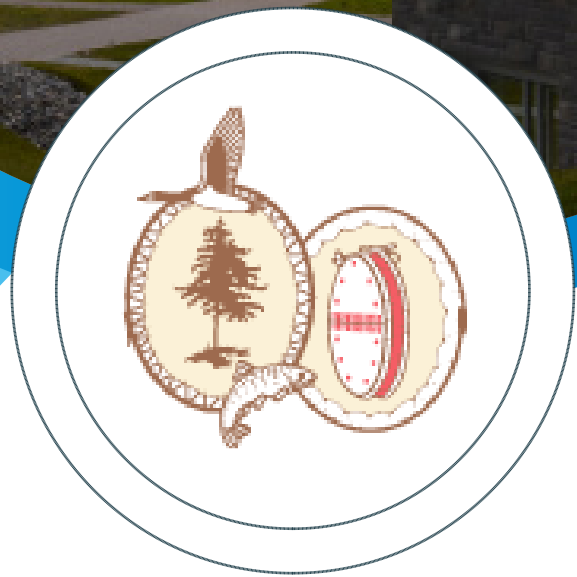


Prepared by:
Department of
Commerce and Industry



2019

www.cngov.ca

Commerce and Industry **Funding Report**



Purpose of this

Funding Report

2012-2019

This report was developed by the Department of Commerce and Industry to help key stakeholders on a local and regional level to better understand our mandate, programming and funding provided in Eeyou Istchee. The statistical overview provided is compiled from 2012-2019 across three major areas of program funding. This report aims to facilitate understanding towards more effective program funding and, in turn, create more representative participation in programming across all of Eeyou Istchee.



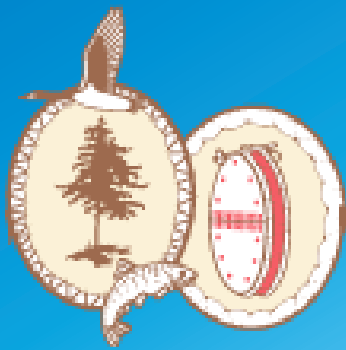
A database is under development to help us to better monitor the statistics contained within. This information will be built around the 3 main funding areas discussed.

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02	Overview of Funds and Program Delivery Model
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Introduction

Cree Nation Government acts a signatory for some Federal and Provincial funding agreements that are allocated to the Eeyou Istchee/Nord du Quebec administrative regions. This document has been developed to assist our partners and stakeholder to better understand the specific funding under agreement with CNG and to evaluate performance and distribution of the funds.



THE DEPARTMENT

The Department of Commerce and Industry (DCI) is entrusted with creating conditions favorable for the development and growth of wealth and prosperity of all economic sectors of the Eeyou/Eenou Nation. Consistent with our values, rights, and aspirations, we also oversee the implementation of the economic components of the various agreements signed by the Eeyou/Eenou Nation.

Agreements and Funding

There are 3 main funding agreements that the Commerce and Industry is responsible to implement or oversee on behalf of Cree Nation Government.

Regional Development	Funding Source:	Government of Quebec
	Objective:	To finance Economic diversification projects and regional development projects that benefit the territory.
	Term of Funding Agreement	Five-year agreement ended in 2017-2018. A one-year funded extension for 2018-2019 was granted to extend current agreement to March 2019.

Use of Funds

The Normative Framework is intended to make it possible to use the RDF to fund the following activities:



Operating expenses of the CNG/DCI including regional consultation activities;



Budgets earmarked for new commitments to carry out measures carried out in specific agreement



Economic diversification projects or activities for the Cree Nation.



Any other activity exercised by CNG/ DCI;

Cree Entrepreneurship Assistance Funds

To provide grants for Cree business start-ups as well as to assist Cree businesses to expand, upgrade technology/equipment



Funding Source

Eeyou Eenou Limited Partnership (EELP)



Term of Funding Agreement

No defined term, subject to a request for reinvestment from the EELP when required.

Who can apply?

Individuals

- 1) Cree Beneficiaries of the JBNQA
- 2) Non-Cree permanent residents

Business -Enterprises

- 1) Cree owned individual businesses
- 2) Non-Cree individual businesses
- 3) Cree Business Partnerships (100% Cree ownership)
- 4) Cree/non-Cree Partnerships (51% Cree ownership)

Corporations and Organizations

- 1) Band-owned Development Corporations;
- 2) Non-profit Organizations, including cooperatives
- 3) Other form of a legal entity

Fonds d'appui au rayonnement des regions

FARR Funding

Origin of Funds

Government of Quebec

Term

The FARR funds are not transferred directly to the Cree Nation

Use of Funds

The Fonds d'appui au rayonnement des régions (FARR) is a new program introduced by the ministère des Affaires municipales et de l'Occupation du territoire (Ministère). It is active in all of Quebec's regions, except for Capitale-Nationale and Montréal, where other funding is available. The Fund's are intended for use exclusively to finance development projects that are aligned with the priorities identified by each region, and projects that have a significant impact on regional outreach.

Eligibility

The following organizations will be eligible:

- ✓ Municipal Agencies
- ✓ Private businesses except for those in the financial sector
- ✓ Social economy enterprises except for those in the financial sector
- ✓ Any other non-profit or cooperative organization;
- ✓ Aboriginal Communities
- ✓ Agencies inside the education system



Application format:

FARR Funding applications are open to all organizations in the region and can be applied for online through:

<https://www.mamh.gouv.qc.ca>

Eligible Projects

The FARR will participate in the financing of eligible projects that will be prioritized and selected by the Regional Selection Committee in the context of the determined financial envelope and the FARR standards. Approval of FAR projects, is conditional based on the availability of funding.

The FARR may also contribute to the financing of sectoral development agreements between regional county municipalities and government ministries or agencies submitted by the regional county municipalities, and which include the clauses for eligibility.

To be eligible, a project must enhance the attractiveness of the living environment, or bolster business development:

1. A project contributes to the attractiveness of the living environment if it improves the conditions that trigger a desire to stay in the area as a tourist, or to settle as a resident and contribute to local prosperity;
2. A project contributes to business development if it strives to put in place a new business or expand an existing one.

To be eligible for financing, the project must also:

1. Be carried out on the territory or portion thereof of an administrative region in Quebec except for the Montréal and Capitale Nationale regions;
2. Be aligned with a regional priority identified by the Steering Committee;
3. Generate regional outreach;
4. Obtain sectoral financing when a government program exists, and an envelope is available, since the FARR must not be used to replace existing programs but to complement them;
5. Not initiate a contradiction with a government policy or a measure approved by the Conseil du trésor or the government of Quebec, or engage in an activity already financed under the budgetary rules approved by the latter;
6. Comply with the legal and regulatory framework in effect and with the applicable national and international agreements;
7. Not generate additional expenses that could subsequently be passed on to the government subsequent to rollout, or that could have negative consequences for an activity sector covered by the mission of a Quebec government ministry or agency.

The Ministère will solicit the collaboration of other ministries involved to verify the eligibility of projects, particularly with respect to the last three points mentioned above because these are relatively technical or even rare, and this verification cannot be the responsibility of the financial assistant applicant alone. Except for under unusual circumstances, this verification will be required within a period of 15 business days.

Program Statistics

CEAF Funds

Cree Entrepreneurship Assistance Funds are available in all Cree communities as well as regional organizations in Eeyou Istchee. This funding is available for entrepreneurs looking to create new business enterprises, operating or modernizing existing business enterprises, or launching of other innovative initiatives that enhance our access to other economies. The following statistics highlight the period between 2012-2019.

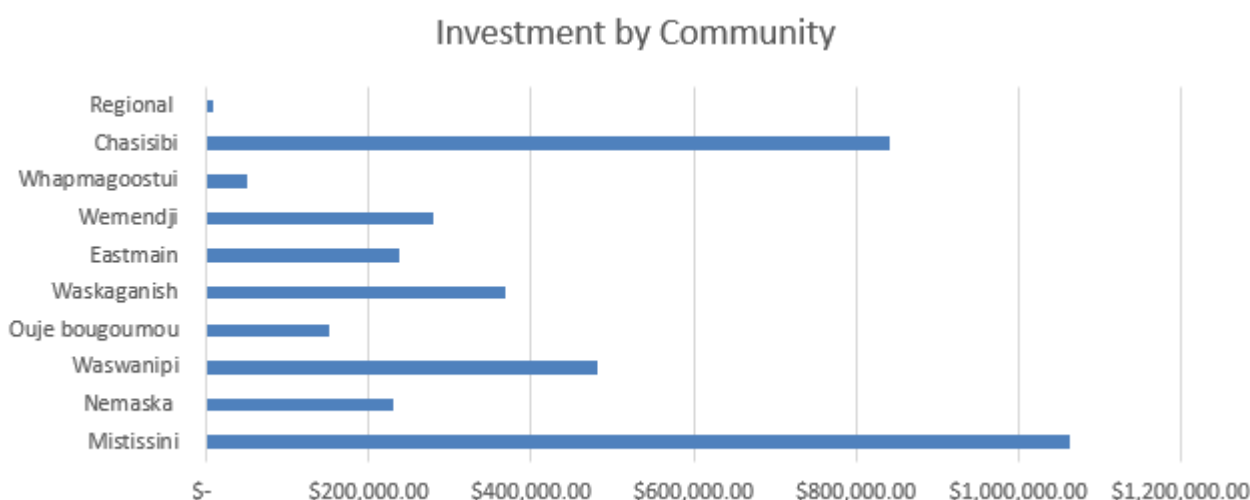
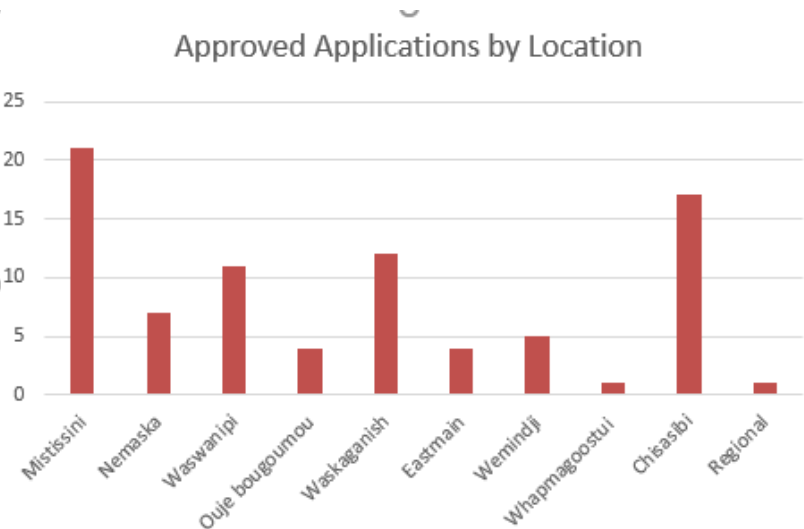


Fig.1-2 CEAF Funding by Community

These statistics for funding represent what was approved for funding disbursement by community of origin. It is worth noting that a disparity in funding from communities does present an opportunity to campaign more actively in less active communities to promote program applications.



CEAF Funds Continued

Fig 1. Sectoral Breakdown of Funds

Services, Retail and Restaurant operations are among the highest requests for funding through the CEAF Funds. Often these include business start-ups, expansions and modernizing of equipment to improve operations. The break down of statistics is provided below:

Projects by Sector 2012-2019

Sector of Operations	Number of Projects
Construction	10 (12%)
Tourism	3 (4%)
Retail & Resto	19 (23%)
Services	24 (29%)
Transport	15 (18%)
Specialty Services	4 (5%)
Landscaping / Forestry	2 (2%)
Business and consulting	6 (7%)

As the Commerce and Industry database is implemented in the upcoming fiscal year, we will be able to understand in a more comprehensive way how these funds impact sectoral growth over time.

Fig.1 Projects by Sector

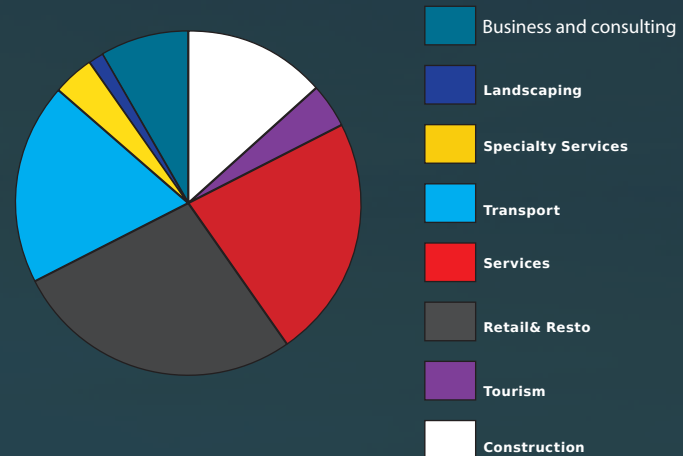
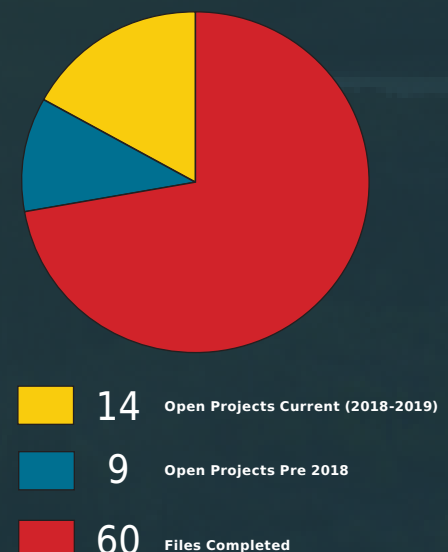


Fig.2 Projects by Status 2012-2019



Note: Social Economy Project

There is also \$114,964 that was contributed towards the Cree Story project.

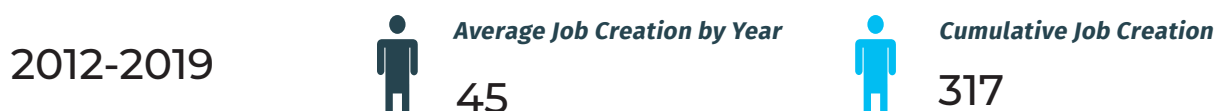
CEAF Funds Continued

Job Creation by Year and Total Projects

Figure 3 illustrates the potential jobs created by funding investment into entrepreneurship in Eeyou Istchee. These figures represent business start-ups and expansions with projected employment provided by employers across Eeyou Istchee.

Year	Projects	Total Grants CEAF	Jobs Created (estimated)
2012-2013	6	\$242,125	30
2013-2014	15	\$593,150	108
2014-2015	15	\$477,925	56
2015-2016	11	\$356,700	23
2016-2017	10	\$650,154	51
2017-2018	9	\$412,275	30
2018-2019	17	\$978,931	19
Total	83	\$3,711,260	317

Fig.3 CEAF Funding - Employment, Project numbers and investment by fiscal year



The Need for Information: Employment Retention and Sustainability of Business Creation

The Department of Commerce and Industry has a need to work with the communities, entrepreneurs and participants of program funding to evaluate the success of investments long-term. This can be done by asking two questions. First, what is the sustainability of the businesses we are investing in? Second, what type of employment are we creating as a product of program funding: short-term, seasonal, long-term etc?

These require a commitment to monitor and survey community entrepreneurship on a regular basis and to build new tools to answer these questions through reporting. Partnerships with Apatisiwin Skills Development as well as local economic development departments will be valuable in developing new program priorities and evaluating the effectiveness of support in the creation and expansion of Cree businesses.

Regional Development Funds

Overview of Regional Development Funds

Regional Development Funds (now called Territorial Development Funds) were created with the intent of supporting the expansion of Cree economies within the region of Eeyou Istchee. Generally, these funds are implicated in large scale projects such as:

- 1) Eeyou Communications Network
- 2) Tourism Infrastructure
- 3) Commercial Centres

Applicants can be regional development councils, local economic development, organizations, cooperatives etc.

Statistics from 2014-2019

Sector of Investment from 2014-2019

Projects by Sector 2014-2019		
Location of Funding		Funding Amounts
14	Tourism	\$3,508,549.17
11	Business Development	\$1,824,000.00
12	Social Development	\$1,789,802.00
3	Administration	\$306,672.00
9	Eeyou Communication	\$3,535,554.00
8	Telecommunications	\$3,762,833.00
5	Regional Study	\$77,340.00
4	Social Economy	\$175,000.00

Funding provided varies based on the type of organization:

- 1) Not for profit is 80% or to a maximum of \$1,000,000
- 2) For Profit organizations for 50% or a maximum of \$1,000,000
- 3) Total government funding not to exceed 80%
- 4) Contribution from the applicant must not be less than 20%

INELIGIBLE PROJECTS AND EXPENSES:

- 1) Expenditures already made prior to the date of submission
- 2) Projects or activities carried out by private enterprises in the retail, wholesale restaurant

Regional Development Funds

Statistics from 2014-2019

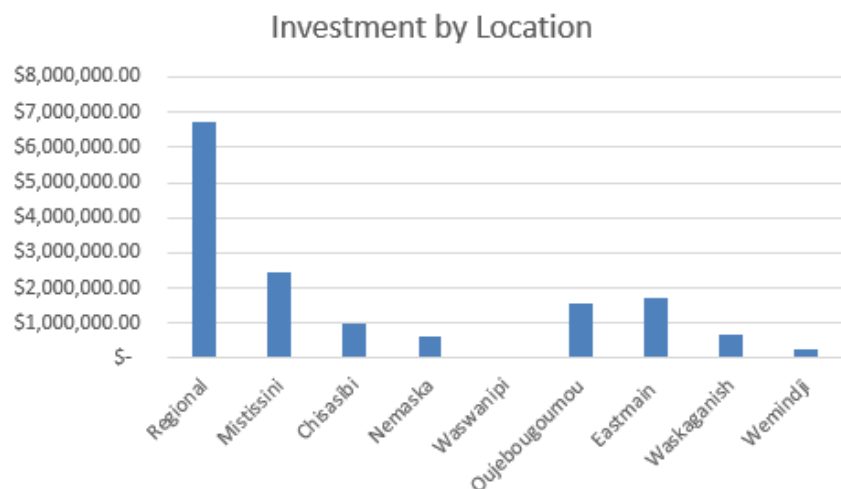
Regional projects that within the tourism, telecommunications and construction sector are among the predominant projects accessed on a regional level. Many are based in communities but sought to provide funding across Eeyou Istchee towards sectoral initiatives.

Projects by Sector 2014-2019

Location of Funding		Funding Amounts
42	Regional	\$6,699,695.00 (45%)
5	Mistissini	\$2,444,254.00 (16%)
3	Chisasibi	\$1,010,000.00 (7%)
2	Nemaska	\$600,000.00 (4%)
1	Waswanipi	\$12,000.00 (<1%)
4	Ouje-bougoumou	\$1,542,000.00 (10%)
5	Eastmain	\$1,720,000.00 (11%)
3	Waskaganish	\$701,801.00 (5%)
1	Wemindji	\$250,000.00 (<1%)

Fig. 3
Community funding distribution for Regional Development Funds

The Regional Development funds accept projects from a community level. These tend to be projects that allow communities to access business on a territorial or regional level. In addition, regional funds often incorporate community projects that will be implemented across multiple communities.



Important considerations for regional development funds



Equal Opportunity
Promotion of funds to all communities



Project Volume
We have had 60 projects funded over the last 5 years



Funding Range
Funding amounts can vary from \$100,000 to nearly \$1,000,000

FARR Funding Statistics

Projects by Sector 2014-2019		
Sector of Operations	Number of Projects	Total Investment
FARR016 Cree Housing Community Tour	18.24%	\$110,000.00
FARR017 Five Year Strategic Plan	2.65%	\$16,000.00
FARR020 Transport Infrastructure Study	2.39%	\$14,400.00
FARR021 Chisasibi Business and Employment Centres	6.63%	\$40,000.00
FARR022 Cree Artisan Truck Drivers	6.63%	\$40,000.00
FARR023 Greenhouses and Agro Businesses	4.25%	\$25,600.00
DCI Business Hub	59.20%	\$357,000.00
Projects by Sector 2014-2019		\$603,000.00

Prioritiy Areas of the Agreement

6 Areas for FARR Funding from 2014-2019

1. Development and implementation of a strategic housing plan to find tangible solutions to housing and living conditions in our communities
2. Raising Economic and Employment Activity through the Private Sector
3. Cree-Owned Businesses Supporting
4. Developing the Workforce
5. Fostering Connections and Partnerships within Eeyou Istchee
6. Tying Economic Development with Nation-Building



Report **Conclusion** and Future Direction

The statistics in this report are useful in informing our member throughout Eeyou Istchee. As well, we utilize the data for planning and in the decision-making process of the various funds. It is important that we make every possible effort to positively impact all Eeyou Istchee.

The Department of Commerce and Industry has begun the process of building a data system that will deliver more accurate real time results on application processing and follow up on approved projects. Our objective is to improve front line services and drive economic growth through solid decision making based on data collection.

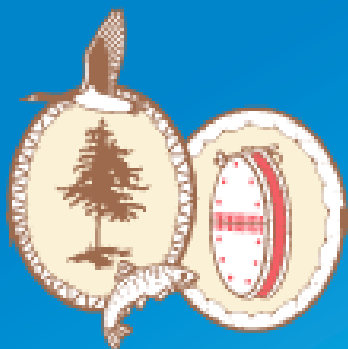
There are several key initiatives aimed at service delivery planned for the 2019-2020 year:

1. Database system to tackle applications and approved programs.
2. Inland business hub planned for Mistissini and a second coastal hub planned for 2020-2021
3. Realignment of the Commerce and Industry Department

It is critical that we continue to improve our understanding of the economic impact that the Department generates on:

- a. New Business
- b. Expansion of Existing Business
- c. Success rate of Business start ups
- d. Employment
- e. Investment by sector
- f. Targeting needs and growth opportunities

The Department of Commerce and Industry of Cree Nation Government will continue to build on this report and to build improvement of programming and services, we understand the need to address Social Economy and Venture Capital programs. We are working to build Social Economy projects in partnership with the Social and Cultural Departments to work in tandem with Cree Solidarity Alliance and Regional Elders Programming agreements. We also identify the Youth councils as another avenue to move Social Economy projects. The Venture Capital program has been under utilized and we want to drive more investment in this fund through regional partnership.



Department of Commerce and Industry

Funding Report: 2012-2019

CONTACT US



Address:

284 Queen Street, Mistissini , QC, G0W1C0

Phone: +418 923 2901

Email: commerce&industry@cngov.ca