



# EEYOU ECONOMIC RESPONSE PLAN (EERP) APPLICATION GUIDE



Department of Commerce & Industry  
Cree Nation Government

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## **1.0 Introduction**

The Eeyou Economic Response Plan (EERP) is a funding initiative with March 31st, 2021 end date. This program is financed jointly by the *Fonds d'appui au rayonnement des régions* (FARR) and the Cree Nation Government.

## **2.0 Objectives and Priorities**

The COVID-19 pandemic has revealed several economic vulnerabilities of the Cree communities of Eeyou Istchee. The EERP thus aims to support their local entrepreneurs and businesses offering products and services to community members, while promoting self-sufficiency.

The main objective of the program is to support Cree entrepreneurs and businesses that have been affected by the pandemic, as well as those that need to restructure or adapt to our new reality. Our goal is to help build more resilient Cree entrepreneurs, businesses and communities.

### **2.1 Specific Objectives**

The specific objectives of the EERP are to provide assistance to Cree entrepreneurs and businesses that will enable them to:

- Adapt and upgrade their administration and office management practices;
- Identify, evaluate and create new business opportunities, to improve their offer of products and services, and diversify their sources of revenues;
- Upgrade their technologies and marketing tools.

### **2.2 Priorities**

If any of the following situations apply to you or to your business, you may be eligible to financial assistance:

- Cree entrepreneurs and businesses that were obligated to implement safety measures to meet Public Health requirements in relation to the pandemic;
- Cree entrepreneurs and businesses that have been directly affected by the COVID-19 pandemic and experienced a revenue drop of at least 25%;
- Cree entrepreneurs and businesses taking action to reduce dependence on outside regions for products and services that are considered essentials and/or required for the practice of traditional land-based activities;
- Cree entrepreneurs and businesses maximizing local spin-offs;
- Cree entrepreneurs and businesses requiring support to create new employment opportunities and/or maintain existing jobs;
- Cree entrepreneurs and businesses innovating and implementing new technologies to improve their efficiency, including e-commerce and teleworking;
- Cree entrepreneurs and businesses that are looking at ways to ensure their viability and sustainability.

### **3.0 Financial Assistance**

#### **3.1 Nature of Financial Assistance**

Financial assistance is made available through the following two components of the program:

- **Section 1 – Cree entrepreneurs and businesses in need of professional assistance**

Applicants will be eligible to receive up to ten thousand dollars (\$10,000) in non-repayable funding, or up to a maximum of one-hundred-percent (100%) of the total eligible project costs.

- **Section 2 – Cree entrepreneurs and businesses in need of adaptations**

Applicants will be eligible to up to one-hundred-percent (100%) of the total eligible project costs in non-repayable funding, for a maximum of twenty-five thousand dollars (\$25,000).

An eligible entrepreneur or business could apply to one or both programs simultaneously.

The applicants must be able to demonstrate that the funds will be spent by March 31<sup>st</sup>, 2021.

### **4.0 Eligibility**

#### **Eligible Applicants:**

- Individuals (sole proprietorship);
- Cree-owned small or medium enterprise (SME), including corporations and partnerships.
  - Cree Business Partnerships (100% Cree ownership).
  - Cree/non-Cree partnerships (51% Cree ownership);
- Social economy enterprises, including not-for-profit organizations and cooperatives;
- Other form of a legal entity (51% Cree ownership).

To be eligible, an applicant must:

- Have both its operations and head office located in Eeyou Istchee;
- Agree to provide documents deemed necessary to evaluate the financial status of the enterprise (if requested by the DCI);
- Have a minimum of one full-time employee or one full time self-employed person;
- Agree to answer to an in-house Needs Assessment Questionnaire with the DCI;
- Agree to take any professional on-the-job coaching, training, course or mentoring program as recommended by the DCI;
- Agree to the terms and conditions of the EERP agreement.

### **Ineligible Applicants:**

- Joint ventures or partnerships where one of the partners is not located or domiciled in Eeyou Istchee;
- Public bodies.

### **5.0 Eligible Expenditures**

- **Eligible expenses for Section 1 – Cree entrepreneurs and businesses in need of professional assistance<sup>1</sup>:**
  - the cost related to a business assessment, a reorganization, a restructuring and/or to improve business administration and office management practices (salaries, professional fees, legal fees);
  - the professional fees for research that can demonstrate the viability of the business (i.e. in case of distress), or to ensure its sustainability or growth;
  - the cost related to getting support to access COVID-19 government funding.
- **Eligible expenses for Section 2 – Cree entrepreneurs and businesses in need of adaptation:**
  - the costs that are essential to the planning and development of the project (salaries, professional fees, travel and representation expenses, marketing and promotion, etc.);
  - the costs for acquisition of material and equipment, equipment rental, and/or repair and maintenance of equipment.
  - the operating costs directly related to the implementation of the project (cash flow, salaries, professional fees, training and coaching fees, office supplies, rent, utilities, marketing and promotion, reporting).

### **Ineligible Expenses:**

- the operating deficit of an otherwise eligible organization, the repayment of loans or the replenishment of its working capital (bail-out) unless it is part of a recovery plan that is part of this project;
- expenses related to projects already completed;
- expenses already paid by the Quebec government for the same project;
- any expense not directly related to the project;
- any grant to government administration;
- any expenditure related to activities governed by budgetary rules approved by the government of Quebec;
- any expenditure involving companies listed in the register of companies not eligible for government contracts;

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<sup>1</sup> The DCI will propose you a team of qualified professionals to perform a needs assessment and to help you restructure your business.

- any form of loan;
- any form of loan guarantee;
- any form of equity investment.

Invoices and proof of payment for all costs incurred under a project must be retained and made available for audit purposes to the DCI if/when requested in order for costs to be reimbursed.

## **6.0 Application and Deadlines**

### **6.1 Application**

The following documents may be requested with a duly completed EERP Application Form,

- Project endorsement or project support letters (if applicable);
- Confirmation of acceptance from other funding sources (if applicable);
- Quotes, estimates and/or contracts provided by suppliers/service providers to justify the project costs;
- Proof of equity (if applicable);
- Documents deemed necessary to evaluate the financial status of the enterprise (if requested by the DCI);
- Résumé of each promoter(s) involved in the project;
- Any other document considered relevant in support to the application.

### **6.2 Deadlines**

The EERP grant is allocated on a first-come first-served basis, and therefore applicants should submit their requests as soon as possible.

Applications will be accepted until **February 28<sup>th</sup>, 2021** (or an earlier date based on funding availability).

The funds must be spent by **March 31<sup>st</sup>, 2021**.

All applications must be submitted by email, with the required documentation, to the following address: [commerce@cngov.ca](mailto:commerce@cngov.ca).

For more information on the EERP, please contact:

Philip Mattawashish  
 Business Services Officer  
 Cree Nation Government, Department of Commerce & Industry  
 Email: [commerce@cngov.ca](mailto:commerce@cngov.ca)  
 Phone: (418) 923-2901

## 7.0 Project Evaluation

The Cree Nation Government has adopted the following grid to evaluate the eligible projects and determine which ones to choose and prioritize:

- Matching program priorities;
- The benefits of the project for the community members, the clientele or the employees;
- The economic impacts on employment during and after the project;
- The structuring aspect of the project;
- The capacity to demonstrate the viability and sustainability of the project and/or business;
- The quality of the financing plan: realism of the anticipated costs, contributions of the partners involved and applicable funding programs, confirmation of contributions.
  - Note that the applicant's financial contribution may also be indirect in the form of human or material resources, to be accounted for financially;
- The experience and background of the promoter(s) and the team.

**Files submitted for review will also be prioritized based on four (4) categories:**

### **Category 1 Priority:**

The business had to close due to the COVID-19 mandatory closure notice and could not generate any revenues but has ongoing expenses. Some examples include tourism operators, hair salon, taxi, bed and breakfast and/or hotels.

### **Category 2 Priority:**

The business has remained open during the pandemic but has been limited in its operations and has lost 25% or more of its revenue from the same period the previous year or from previous months if the business has been in operation for less than a year. Restaurants that have been modified to take-out only, taxi modified to make home deliveries or small transport limited to the communities are a few examples.

### **Category 3 Priority:**

The business was deemed essential and remained opened, but it lost revenue. Local radio stations that have lost revenue such as advertising, is one example.

### **Category 4 Priority:**

The business has remained open and operational but has incurred additional expenses in order to provide essential services to the public. Costs may have included additional security, plexiglass installations, hand sanitizer, gloves made available to the public. Some examples could include grocery stores, gas stations, convenience stores, general and hardware retail.

## 8.0 Financial Assistance Disbursements

Funding disbursements for the project are issued following the funding payment schedule, as outlined in the funding agreement.

- **Section 1 – Cree Entrepreneurs and Businesses in Need of Professional Assistance:**
  - The payment will be issued by the DCI directly to the professional(s) involved.
- **Section 2 – Cree Entrepreneurs and Businesses in Need of Adaptation:**
  - An initial disbursement, equal to ninety percent (90%) of the approved total cost of project, upon signature of the funding agreement;
  - And
  - A second disbursement, equal to ten percent (10%) of the approved total cost of project, upon presentation of a final report.