



**IGC Secretariat
2014 – 2015 Annual Report**

Introduction:

This report has been prepared by the IGC Secretariat and reports on activities that the Secretariat has undertaken during the period of September 2014 to the end of August, 2015.

Background:

In February 2014, the Northwest Territories Intergovernmental Agreement on Lands and Resource Management (the “Agreement”) was signed by the Government of the Northwest Territories (GNWT), Inuvialuit Regional Corporation (IRC), Northwest Territory Métis Nation (NWTMN), Sahtu Secretariat Incorporated (SSI), Gwich’in Tribal Council (GTC) and the Tłı̨chǫ Government (TG). Acho Dene Koe First Nation (which includes the Fort Liard Metis Local #67), Salt River First Nation and Deninu Kué First Nation also signed onto this Agreement in May 2014. Kátl’odeeche First Nation signed onto this Agreement March 2015. This Agreement is part of the Devolution Agreement.

Through the Devolution Agreement, Canada agreed to provide each party with funding for post devolution responsibilities. The Aboriginal Parties who signed onto the Devolution Agreement were provided with \$3,000,000 for activities including their participation in the Intergovernmental Council.

Administration:

The Agreement also sets out that, subject to the required financial appropriations of the Parties, the Council shall establish a Secretariat with the appropriate technical, professional and administrative expertise and capacity to fulfill its duties. The Secretariat’s roles and responsibilities are outlined in the Terms of Reference which were approved by the Intergovernmental Council in September 2014.

The IGC Secretariat was tasked with a range of responsibilities including the development of a logo and website for the Intergovernmental Council. A Request for Proposals (RFP) was created and as a result of that RFP, Outcrop was contracted by the Department of Aboriginal Affairs and Intergovernmental Relations to undertake the design of the logo and develop the website. A logo design was approved by the IGC Secretariat members at the June 4th, 2015 IGC Secretariat meeting for presentation to the Intergovernmental Council in September 2015. The IGC logo will become part of the website that is currently being developed. The website, once it has been set up, will provide a communications tool for the Intergovernmental Council to share information on their activities. The deadline for the completion of the website is the end of September with the launched scheduled for the beginning of October 2015.

Intergovernmental Council:

The inaugural meeting of the Intergovernmental Council took place on September 19th, 2014. This meeting marked the first step in a new era of cooperation between the GNWT and Aboriginal governments. The Intergovernmental Council consists of elected leaders of the GNWT and Aboriginal Governments that signed onto the Devolution Agreement.

At this meeting, the Parties agreed to the Terms of Reference for the IGC Secretariat as well as participation at the IGC meetings. The IGC directed how public communication would flow out of their meetings. The IGC also directed the establishment of two Working Groups – the Finance Working Group and the Aboriginal Government Capacity Working Group.

The Parties also agreed to have the IGC Secretariat begin work on a number of areas including:

- Identifying priority legislation for review;
- Establishing a working group to investigate options related to Impact Benefit Agreements, including focusing on best practices from the NWT and other jurisdictions and to return to the Intergovernmental Council with those options;
- Developing recommendations to improve Aboriginal government capacity throughout the NWT. This task was assigned to the Aboriginal Government Capacity Working Group to undertake.
- Reviewing processes for water management and planning, including improving baseline data related to water;
- Reviewing the Land Use Sustainability Framework and providing any agreed upon recommendations; and
- Establishing a working group to discuss options related to the administration of resource revenue allocations. The Finance Working Group was tasked with this undertaking this work

The next meeting of the Intergovernmental Council has been scheduled for September 3rd, 2015 to be held in Yellowknife, NT.

IGC Secretariat:

The IGC Secretariat was set up in the early part of 2014 to provide support to the Intergovernmental Council and provide leadership on issues between IGC meetings. The Terms of Reference for the IGC Secretariat were approved by the IGC at its September 19, 2014 meeting.

The Terms of Reference calls for the appointment of one senior official from the Government of the NWT and one from each of the respective Aboriginal Government who are a party to the Agreement.

The following IGC Secretariat meetings have been held to date:

- May 30, 2014
- July 14, 2014
- Nov. 12, 2014
- March 31, 2015
- June 4, 2015
- July 17, 2015

Minutes of all the meetings are prepared with Follow up/Action Items clearly outlined and status reports provided regularly on these Action Items. A copy of the meeting minutes along with the corresponding Follow up/Action Items summary table are provided to the Intergovernmental Council for reference.

IGC Working Groups:

As noted, at its September 19th, 2014 meeting, the Intergovernmental Council also directed that two Working Groups be set up - a Finance Working Group and an Aboriginal Government Capacity Working Group. These Working Groups were set up in early 2015 and consisted of the IGC Secretariat members. The Terms of Reference for these Working Groups were approved at the April 29, 2015 Working Group meetings. A copy of the approved Terms of Reference is available to the Intergovernmental Council for reference.

Because the Secretariat Council members also sit on the Working Groups, this has resulted in some overlap and confusion regarding the role and responsibilities of the Working Groups. At the June 4th, 2015 IGC Secretariat meeting, it was agreed that this needed to be clarified and a more cohesive approach developed in terms of how the Working Groups are structured and their function. Direction was given to have an outline prepared on how the Working Groups would be structured and how they would function. It was also agreed that some Working Groups would have an end life. This is currently being dealt with by the IGC Secretariat.

The following IGC Working Group meetings have been held to date:

- Finance Working Group
 - Jan. 23, 2015
 - March 12, 2015
 - April 29, 2015
- Aboriginal Government Capacity Working Group
 - Jan. 23, 2015
 - March 13, 2015
 - April 29, 2015

- IBA Working Group
 - Aug. 21, 2015

Please see below for a report on the IBA Technical Working Group that the Intergovernmental Council directed be established.

Minutes of all the meetings are prepared with Follow up/Action Items clearly outlined and status reports provided regularly. A copy of the meeting minutes along with the corresponding Follow up/Action Items summary table are provided to the Intergovernmental Council for reference.

Report on the Intergovernmental Council's Priority Items:

❖ Identifying priority legislation for review

Progress Report

This item was discussed at the March 31, 2015 IGC Secretariat Council meeting and it was agreed that there is a need to review some of the legislation to identify any areas for more immediate focus. Given the current workload of the Secretariat, this priority has been deferred to the 2015-2016 workplan.

❖ Establishing a working group to investigate options related to Impact Benefit Agreements, including focusing on best practices from the NWT and other jurisdictions and to return to the Intergovernmental Council with those options

Progress Report

At the September 19th, 2014 meeting, the Intergovernmental Council directed that a Technical Working Group be established to research approaches and identify options, including ownership percentages around Impact Benefit Agreements (IBAs). A Briefing Note on this issue was prepared by the Sahtu Secretariat Incorporated and tabled at the June 4th IGC Secretariat meeting. At that same meeting, a Technical Working Group was set up to research and further assess work required.

The IBA Working Group met on August 21st and approved Terms of Reference for this Working Group. The Working Group is tasked with undertaking research to identify and assess options for possible legislative or additional policy solutions. The IBA Working Group held its first meeting on August 21, 2015. The Department of Aboriginal Affairs and Intergovernmental Relations agreed to provide funds to hire a contractor to work with the IBA Working Group to undertake this research in the 2014-2015 fiscal year and to develop recommendations on how to proceed. These recommendations will be presented to the Intergovernmental Council in 2016.

- ❖ **Developing recommendations to improve Aboriginal government capacity throughout the NWT.**

Progress Report

The Aboriginal Government Capacity Working Group met three times. Several presentations on training initiatives that are currently in place or in development were provided by GNWT officials. Several Aboriginal Governments have also done presentations on their current programs. No two approaches were the same, however, all agree that capacity is an ongoing issue.

At the April 29th, 2015 meeting, it was agreed that the Parties need to harmonize their approach and they need to come up with a 'made in the north' resource management approach. They also agreed that they need to become more familiar with resource management initiatives that are being undertaken and that they need to keep track of what is occurring in the NWT. It was also suggested that key departments be asked to do a presentation to the Secretariat to get a sense of current priorities, how they are structured and to report on any proposed changes to policy, legislative and program changes that impact lands and resources. The key departments identified are Department of Lands, Environment and Natural Resources and Industry, Tourism and Investment.

At the June 4th IGC Secretariat meeting, direction was given to invite the key departments to future meetings to speak to their initiatives and to establish a working relationship with the IGC Secretariat. Several of these departments will be attending the July 17th, 2015 meeting.

Although work is progressing slowly, it is anticipated that the Aboriginal Government Capacity Working Group will have to work on this initiative on an ongoing basis for an extended period of time. Based on discussions and concerns raised at the meetings, the issue of developing capacity with the Aboriginal governments will take time. In order to streamline and focus efforts on priority areas, a short term and long term work plan should be developed.

The IGC Secretariat also needs to review the current structure of this Working Group and decide if any changes are required.

- ❖ **Reviewing processes for water management and planning, including improving baseline data related to water**

Progress Report

A presentation was provided by the Department of Environment and Natural Resources on Water Monitoring. This presentation included the NWT Water Stewardship Strategy, information on how traditional and local knowledge are incorporated into water

monitoring, report backs to communities and monitoring programs that are in place including, transboundary monitoring programs.

IGC Secretariat members raised a number of questions including questions on cumulative effects, downstream effects, how the system is currently managed, where the funds flow for the monitoring programs and who makes the decisions regarding these programs. The IGC Secretariat also stated that they would like higher level discussion to talk about the coordination and the need for efficient use of resources. They also raised concerns about community capacity and how the communities are going to be engaged.

At the conclusion of the presentation, it was agreed that this discussion needs to continue with the Aboriginal governments. Direction was given to include presentations at future meetings that would add on to this discussion.

Because of the size of the task given to the IGC Secretariat to review processes for water management and planning, it was agreed that a long term planning session needs to be held that involve GNWT departments to scope out the way forward.

- ❖ **Reviewing the Land Use Sustainability Framework and providing any agreed upon recommendations**

Progress Report

At the July 17th IGC Secretariat meeting, a presentation was provided by the Department of Lands (DOL) on the Land Use Sustainability Framework (LUSF). DOL indicated that their first year of operation was focused on developing internal processes and procedures and had limited opportunity to work on a review of the LUSP with the IGC Secretariat. They have started working on an action plan and are developing indicators to measure progress.

The IGC Secretariat advised that they would like to be involved in the development of the action plan and the engagement plan and that the engagement process should take place before the action plan is finalized. The IGC Secretariat also stated that the LUSF should take into consideration a number of areas including regional land use plans, recreational land use areas, conservation action plans and the active and equal involvement of the Intergovernmental Council in this process.

Department of Lands articulated their genuine interest in working with the Intergovernmental Council and with the Aboriginal governments and said they see a role for the Intergovernmental Council in this process. What role the Intergovernmental Council and Secretariat would have in this process will have to be further defined at a future meeting.

- ❖ **Establishing a working group to discuss options related to the administration of resource revenue allocations. The Finance Working Group was tasked with this undertaking this work**

Progress Report

The Finance Working Group met three times. During the course of those three meetings, discussions focused on: cost of living differential and how it is determined, and the need to develop a “Made in the North” cost of living model. Population/membership numbers were also provided and compiled. For those communities who are not a Party to the Devolution Agreement, the Bureau of Statistics data on community population was used.

Based on the Bureau of Statistics cost of living calculations and the final population/membership numbers provided, the Finance Working Group agreed on the formula for the Resource Revenue Payments. Agreement was also reached on how the payments would be issued with the preference for cash payment up front.

With regards to the Retained Amounts, at the April 29th, 2015 meeting, the Aboriginal Governments were advised that the Retained Amounts would be distributed to the Aboriginal Governments. It was agreed that the formula used for the Resource Royalty payments would be used to calculate the amounts to be distributed. An Agreement was prepared for the Aboriginal Governments to sign prior to the distribution of the Retained Amounts.

A total of \$6,296,280 was paid out to the Aboriginal Governments. The first payments represent the Aboriginal governments’ share of total resource revenue received from all sources from April 2014 to June 2015. Going forward, oil and gas royalties will be distributed on a quarterly cash basis and other resource revenues, such as minerals, quarry and water license revenues, will be distributed by the end of July of the following fiscal year. Oil and gas royalties are received monthly but the larger mineral royalties are received annually; therefore, the quarterly payments will vary significantly in size.

With the issuance of the first payments, the primary role of the Finance Working Group revenues is now largely complete.

Recommendations:

The following recommendations are presented for the Intergovernmental Councils review and direction:

- Approve the recommended logo design presented by the IGC Secretariat.
- Direct the Aboriginal Government Capacity Working Group to continue with their mandate for the upcoming year.

- Direct the IBA Working Group to continue with their efforts and to report to the Intergovernmental Council in 2016.
- Direct the IGC Secretariat to plan and hold a facilitated strategic planning session to develop a long term plan that addresses the following:
 - Aboriginal Government Capacity
 - Priority Legislation Review
 - Water Management and Planning
 - Land Use Sustainability Framework - review
 - Preparatory work for the review of the Devolution Agreement related to the MVRMA

The long term plan should include timelines, indicators and required resources to complete. Key departments should also be invited to participate in the planning session. This long term plan will be presented to the Intergovernmental Council in 2016.

Conclusion:

The IGC Secretariat members have expressed concerns that they feel they are not progressing as quickly as they would like. However, it is important to remember that the ambitious agenda presented to them by the Intergovernmental Council in 2014 should be regarded as a starting point. This was the first year of the Intergovernmental Council and as such, it was necessary to lay the foundation for future work including putting in place needed administrative processes and procedures.

Another challenge faced by the IGC Secretariat was the ongoing capacity issue. The work that the Aboriginal governments have to work on in the coming years will not only require an efficient and capable workforce, but it will also require them to review and re-evaluate their current infrastructure. Trying to develop a coordinated and cooperative approach on how lands and resources are managed is going to mean taking a good hard look at how this is currently done by the participating Parties. An added challenge is recognizing and accepting differences but also making those differences work for the bigger picture.

Based on what has been achieved this first year of the Intergovernmental Council, it is encouraging to see the willingness of the Parties around the table to work together to achieve what was envisioned by the Devolution Agreement. The Secretariat continues to focus on working together to manage the lands and resources so that all northerners can continue to benefit now and in the future.