



# Mackenzie Gas Project (MGP)

## Social Economic Impact Fund (SEIF)

# Background

- During 2004 and into 2005 Aboriginal Groups along the Pipeline Corridor were negotiating Access and Benefits agreements with the Producers.
- In these negotiations Imperial Oil found many of the requests related to direct Social or Economic impacts that they insisted was not their responsibility.
- In the spring of 2005, the producers announced that access and benefit negotiations would be interrupted until the issue was resolved.
- To address impacts and advance the MGP, the Gov't of Canada worked with the GNWT and Aboriginal groups to establish a Social Economic Impact fund.

# Purpose

- In July of 2005, the Gov't of Canada announced a \$500 million Social Economic Impact Fund [SEIF] to mitigate the social impacts resulting from the development activity related to the MGP.
- The SEIF is not intended to replace GNWT programs.
- The GNWT will continue to seek alternative means of addressing its responsibilities, program priorities and requirements.
- This fund can be used to “mitigate the existing or anticipated socio-economic impacts on communities”.
- It will prepare residents for some of the impacts and opportunities that will result from this project.

# Fund Structure

- The Gov't of Canada has introduced federal legislation to create the Corporation for the Mitigation of the Mackenzie Gas Project Impacts.
- A Territorial Legal Entity (TLE) will be established to receive the funding from Ottawa.
- TLE Board of Directors will be appointed by the Minister of INAC. The Minister will seek nominations from Aboriginal Groups for the 3 or 5 TLE Directors.
- The TLE will be the funding agency and provide SEIF funds to (5) Regional Legal Entities (RLE). In this ISR and GSA the RLE will be Regional Aboriginal Organizations IRC & GTC.

# Regional Legal Entities (RLE)

- Five Regional Legal Entities created
  - Deh Cho
  - Tulita/Deline
  - Kasho Gotine
  - Gwich'in
  - Inuvialuit
- Regional Impact Plans needed before the TLE releases funds.
- RLE must be established to:
  - a) receive funds from the TLE to administer the project
  - b) account for the funds and
  - c) report on the project results.

# Regional Management Committee

- Each RLE will establish a Regional Management Committee [RMC]
- The membership of each RMC will be appointed by the Regional Aboriginal organization [RLE] and by GNWT, with the majority of the members being appointed by the Regional Aboriginal organization.
- RMC develops fund priorities and recommends SEIF plans and projects to the RLE.
- Administrative and technical support to the RMC and ongoing management and administration of the fund will be provided by the administrative structure established for this purpose.

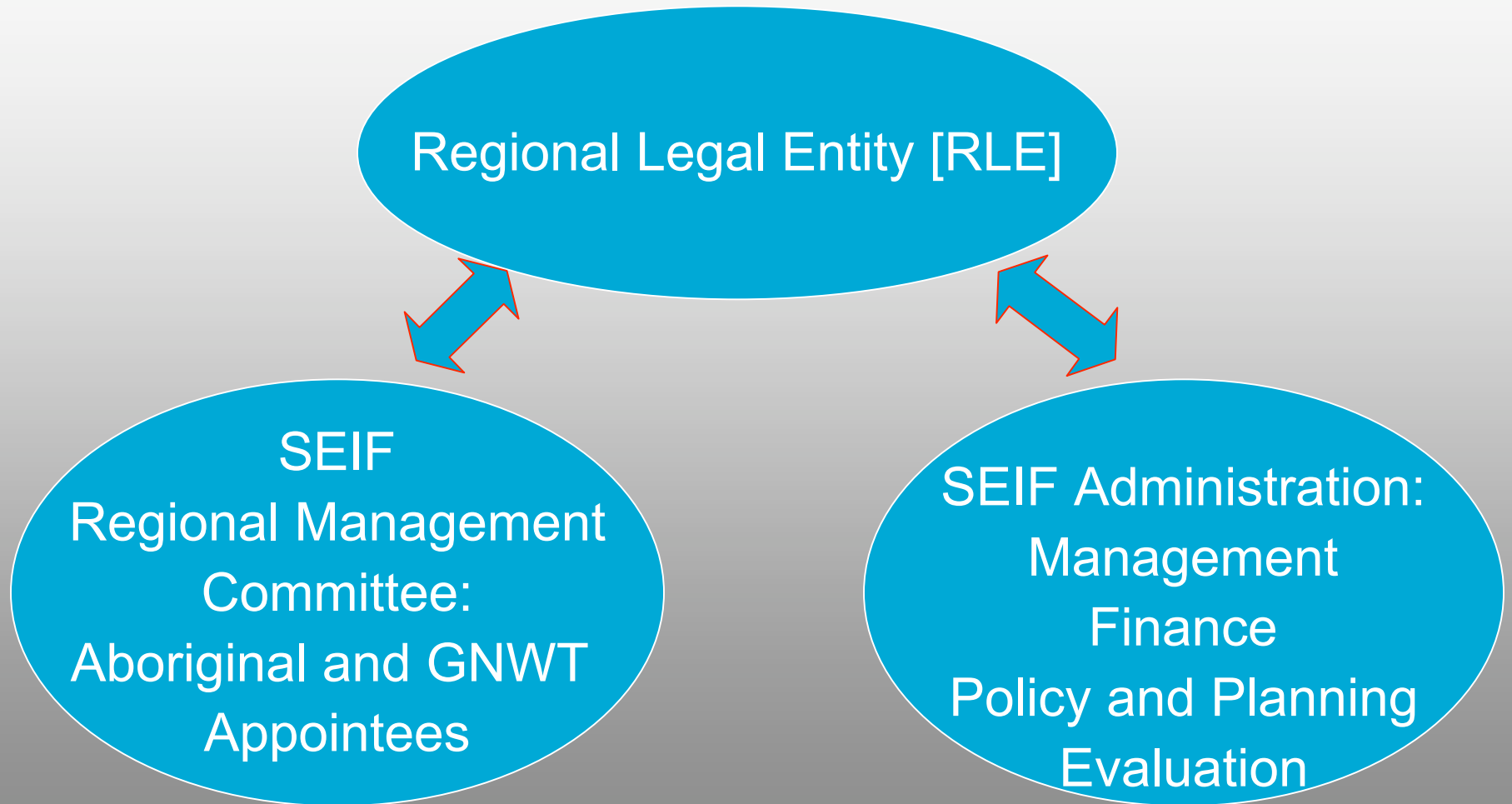
# Funding

- Regional Allocations were negotiated and outlined in the Management Framework:
  - \$150 million Deh Cho
  - \$ 61 million Tulita/Deline
  - \$ 57 million Kasho Gotine/Colville
  - \$82 million Gwich'in
  - \$150 million Inuvialuit
- The \$500 million will be provided over a 10 year period and released based on MGP milestones.
- The parties have agreed to the front end loading of funds. In the event the pipeline does not proceed there will be no funds.
- An additional \$ 5 million start up and planning fund for all regions is currently being considered.

# Eligibility

- Projects
  - Social Wellness
  - Education and Skills Training
  - Language and Culture
  - Community Social Infrastructure
  - Economic Opportunity Investment
  - Safety and security
  
- Recipients
  - Land claim institutions/organizations
  - First Nations/Métis/Inuvialuit organizations
  - Regional and community social development organizations
  - Community organizations involved in social/cultural programs
  - Municipal governments
  - GNWT departments, boards and agencies.
  - Community-business partnerships (including MGP proponent)
  - Regional/community development corporations and subsidiaries
  - Inter-regional partnerships

# Structure



# Process



# Next Steps

- Approval of fund by Federal Government.
- Create TLE and Policy Guidelines.
- RLE's apply for and receive start up funding.
- Establish SEIF Office and hire Personnel.
- Commence Community and Regional consultations and planning.
- Develop and approve SEIF plans.
- Disburse funds to approved organizations to fund projects.