



BC TREATY COMMISSION

203 –1115 W. Pender St.
Vancouver B.C. V6E 2P4
604 482 9200, Fax 604 482 9222
www.bctreaty.net

FACT SHEET – Negotiation Support Funding

Overview

The 1991 Report of the BC Claims Task Force established three main roles for the BC Treaty Commission: facilitation, public information and funding. The Treaty Commission allocates negotiation support funding so that First Nations can prepare for and carry out negotiations on equal footing with the provincial and federal governments. Eighty per cent of each allocation is available as loans from the federal government, and 20 per cent as contributions from the federal and provincial governments. The federal government provides 60 per cent of the contribution funding and the provincial government provides 40 per cent. First Nations may choose to accept the contribution portion and all, some or none of the loan portion of an allocation.

Allocation

Funding allocations take into account varying First Nation population sizes, number of communities, geographic location, size of territory, travel requirements, extent of overlaps, stage and intensity of negotiations and anticipated complexity of issues.

Under allocation criteria established by Canada, BC and the First Nations Summit, funding allocations are to be neutral, fair and equitable, effective, efficient and economical, clear, simple and understandable and reflect the government-to-government nature of the relationship between negotiating parties. In addition, funding must be sufficient to meet First Nations' needs in negotiations within the overall level of resources available to the Treaty Commission, and the Treaty Commission and First Nations must be accountable for funds they receive.

To promote efficient negotiations, the Treaty Commission encourages small First Nations to join with other First Nations in the negotiation process, and funds many small First Nations who decide to negotiate jointly. First Nations entering the negotiation process independently must have a minimum of 100 members to receive negotiation support funding. Since opening its doors in May 1993 the Treaty Commission has allocated approximately \$398 million in negotiation support funding to more than 50 First Nations— \$317 million in the form of loans and \$81 million in the form of contributions.

Annual Audit Report

For each fiscal year a First Nation has received negotiation support funding, it must submit audited financial statements to the Treaty Commission. The audit statement must cover all contribution payments and loan advances received under the agreement, all expenditures, and any unspent funds from previous agreements. In addition to the annual audit, First Nations are required to submit certified financial statements shortly after each fiscal year end.

-more-

Repayment of Loans

A loan is due by any First Nation to Canada on the earliest of the following dates: the date a treaty takes effect; the twelfth anniversary of the first loan advance; the seventh anniversary of an agreement-in-principle signing; or when the Federal Minister demands payment of the loan due to an event of default under a First Nation Funding Agreement. Under certain circumstances, and at the request of the First Nation, the Treaty Commission may recommend a five-year extension to the twelfth and seventh anniversary due dates.

Interest on Loan Advances

Loan advances made before the signing of an agreement in principle do not accrue interest until the loan becomes due and payable. Loan advances made after an agreement in principle is signed, but before April 1, 2009, do not accrue interest until the loan becomes due and payable.

Disclosure of financial information

The Treaty Commission, in each fiscal year, will disclose the total amount of loan and contribution negotiation support funding to First Nations. It will not disclose allocations of loan or contribution funding to individual First Nations, as disclosure of First Nation financial information may impact negotiations.

About the BC Treaty Commission

The BC Treaty Commission is the independent and neutral body created to facilitate treaty negotiations among First Nations and the governments of Canada and British Columbia.