

TŁICHQ AGREEMENT



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BILATERAL FUNDING AGREEMENT

Tłchq Bilateral Funding Agreement

QS-5368-001-EE-A1

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BILATERAL FUNDING AGREEMENT

RESPECTING

THE IMPLEMENTATION OF

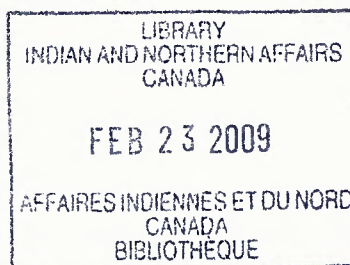
THE TŁİCHQ AGREEMENT

BETWEEN

**THE GOVERNMENT OF THE NORTHWEST TERRITORIES
("GNWT")**

AND

**THE GOVERNMENT OF CANADA
("Canada")**



Bilateral Funding Agreement - Implementation of Tłıchǵ Agreement

- WHEREAS** the GNWT and Canada have signed a *Memorandum of Understanding between the Government of Canada and the Government of the Northwest Territories on Comprehensive Land Claim Implementation* (“Memorandum of Understanding”) dated July 9th, 1992;
- WHEREAS** the Dogrib Treaty 11 Council, the GNWT and Canada have signed the Implementation Plan for the Tłıchǵ Agreement on August 25, 2003.
- WHEREAS** the Dogrib Treaty 11 Council, the GNWT and Canada have signed the Tłıchǵ Agreement on August 25, 2003 .
- WHEREAS** the GNWT shall undertake the activities for which it is identified in the Tłıchǵ Implementation Plan;
- AND WHEREAS** the GNWT and Canada have identified the level of funding Canada shall provide to the GNWT in the initial planning period;

NOW THEREFORE the GNWT and Canada (“the Parties”) agree as follows;

1. This agreement and any amendment constitutes the bilateral funding agreement referred to in section 6 of the Memorandum of Understanding for the initial planning period.
2. Subject to annual appropriations by Parliament, Canada shall provide funding, in the amounts set out in the schedule, as adjusted in accordance with section 4 of this agreement, to assist the GNWT in fulfilling its responsibilities under the Tłıchǵ Agreement for the initial planning period, in accordance with the Tłıchǵ Implementation Plan in a manner consistent with the prevailing cash management policy of Canada.
3. Funding provided by Canada to the GNWT pursuant to this agreement shall be provided through a grant for the specified purpose of implementing the Tłıchǵ Agreement for the initial planning period, in accordance with the Tłıchǵ Implementation Plan.
4. The amounts set out in the schedule shall be adjusted in accordance with the provisions of that schedule, upon agreement of the Parties.
5. By mutual consent of the Parties, this agreement, including the schedule, may be amended in writing.
6. This agreement shall come into force upon the signature by the Parties.
7. This agreement shall remain in force until the end of the initial planning period.

Bilateral Funding Agreement - Implementation of Tłıchǵ Agreement

8. The amount specified in Funds upon Signing listed in the schedule of this agreement shall be reduced to reflect any amounts advanced prior to the date of signing of the Tłıchǵ Agreement specifically related to the implementation of the Tłıchǵ Agreement.
9. An annual letter from Canada to the GNWT will confirm the revised amount of funding to be received each fiscal year.
10. The following definitions apply in this agreement.

“grant” means a transfer payment that, subject to law, is unconditional, where the government chooses to further policy or program delivery by issuing payments to individuals or organizations. Eligibility criteria and applications received in advance of payment provide sufficient assurance that the objectives of payment will be met, therefore, specific conditional agreements with the recipient are not required. Since payment is not dependent on performance, there is no potential unexpended balance.

“effective date” means the date on which both territorial and federal settlement legislation came into force.

“effective year” means the fiscal year that includes the effective date.

“initial planning period” means the period commencing on the date of signing of the Tłıchǵ Agreement and expiring on the tenth anniversary of the date of the effective date.

“federal legislation” means legislation of the Parliament of Canada or legislation made thereunder, but does not include territorial legislation.

“fiscal year” means the period from April 1 of one year to March 31 of the following year.

“implementation year” means the period beginning on the effective date of the Tłıchǵ Agreement and ending the day before the first anniversary of that date.

“settlement legislation” means the legislation referred to in 4.3.1(c) and 4.3.2 (b) of the Tłıchǵ Agreement that provides the Agreement is approved, given effect and declared valid.

“territorial legislation” means legislation made by the Northwest Territories legislative assembly or legislation made thereunder.

“Tłıchǵ Agreement” means the land claims and self-government agreement among the Tłıchǵ, the GNWT and Canada that was signed on August 25, 2003, including any amendments thereto.

SIGNATURE PAGE

FOR THE GOVERNMENT OF THE NORTHWEST TERRITORIES



Assistant Deputy Minister
Ministry of Aboriginal Affairs
Government of the Northwest Territories



Witness

August 26, 2003

Date

FOR THE GOVERNMENT OF CANADA



Assistant Deputy Minister
Claims and Indian Government
Department of Indian Affairs
and Northern Development
Government of Canada



Witness

August 25/03

Date

Bilateral Funding Agreement - Implementation of Tłıchǵ Agreement
Schedule

SCHEDULE

1. Adjustment to Fiscal Year

Annual implementation year payments will be normalized to the appropriate fiscal year as follows:

The payment amount for the first fiscal year shall be determined by multiplying the annual amount for Year 1 by “P”. For subsequent years, the fiscal payment shall be determined by multiplying the annual amount for the appropriate implementation year by “P” and adding to this the product obtained by multiplying the previous year’s annual amount by (1-P), where

P = the number of days remaining in the fiscal year on the date of proclamation of settlement legislation (expressed as a fraction of 365 days).

Implementation Year	Annual Amount 2002 Dollars	Fiscal Year Payment	Fiscal Year
Funds Upon Signing	\$1,000,000	\$1,000,000	200X/XX
1	\$1,500,000	$\$1,500,000 \times P = \$X,X00,000$	200X/XX
2	\$1,500,000	\$1,500,000	200X/XX
3	\$500,000	$\$1,500,000 \times P + \$500,000 \times (1 - P) =$	200X/XX
4	\$500,000	\$500,000	200X/XX
5	\$500,000	\$500,000	200X/XX
6	\$500,000	\$500,000	200X/XX
7	\$500,000	\$500,000	200X/XX
8	\$500,000	\$500,000	200X/XX
9	\$500,000	\$500,000	200X/XX
10	\$500,000	\$500,000	200X/XX
		$\$500,000 \times (1-P) = \$XXX,000$	200X/XX

Bilateral Funding Agreement - Implementation of Třchq Agreement
Schedule

2. Annual Adjustment

A. Annual Calculation of Funding Amounts

The Annual Price Adjustment Factor (APAF) to be applied for a fiscal year is equal to the quotient obtained by taking the Final Domestic Demand Implicit Price Index (FDDIPI), for the third quarter of the calendar year immediately preceding the calendar year in which the new fiscal year for which the adjustment is being made begins, and dividing it by the FDDIPI for the third quarter of the calendar year prior to the immediately preceding calendar year.

The FDDIPI values used to calculate the Annual Price Adjustment Factor which is to be applied to determine the Funding Amount for a particular fiscal year will be the FDDIPI published by Statistics Canada immediately following the end of the third quarter of the calendar year immediately preceding the calendar year in which the particular fiscal year commences. In the event that there is a delay in publishing the third quarter statistics, then the Annual Price Adjustment Factor from the previous fiscal year, or an estimate as otherwise agreed by the Implementation Committee, may be used until the statistics are available, and any subsequent adjustments will be made prior to the disbursement of the next scheduled payment.

1. Where the annual funding amount for the new fiscal year is unchanged from the previous fiscal year, then the new fiscal year funding amount (FA) = previous year funding amount multiplied by the Annual Price Adjustment Factor (APAF) for that fiscal year, or

$$FA_y = FA_{y-1} \times APAF$$

where:

$$APAF = FDDIPI_{3Q\ y-1} / FDDIPI_{3Q\ y-2}$$

and where:

$FDDIPI_{3Q\ y-1}$ is the first published value of FDDIPI for the third quarter of the calendar year immediately preceding the calendar year in which the new fiscal year begins; and

$FDDIPI_{3Q\ y-2}$ is the value of FDDIPI for the third quarter of the calendar year prior to that immediately preceding (y-1) calendar year, which is published in the same publication and at the same time as the FDDIPI value used for $3Q\ y-1$.

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2. Where the funding amount for the new fiscal year is different from the amount in the previous fiscal year, then the Annual Price Adjustment Factor (APAF), shall be applied cumulatively and unchanged, to determine the adjusted amount for the new fiscal year.

Once an Annual Price Adjustment Factor has been calculated, the result shall be final and shall not be subject to revisions, unless otherwise agreed by the Parties. For greater certainty, subsequent revisions, rebasing or other changes to FDDIPI figures used to calculate the Annual Price Adjustment Factor for fiscal years of this agreement shall not result in adjustments to the Annual Price Adjustment Factor for previous fiscal years.

B. Calculation of Effective Year (only) Funding Amounts

Funding amounts shown in 2002 dollars will be adjusted, to determine the funding for the effective year in accordance with the following calculation:

- for this one-time adjustment only, the adjustor will be the change in FDDIPI which would have applied as of April 1 of the effective year (i.e. third quarter of EY-1), over FDDIPI for the third quarter of 2001.

$$\text{One-time adjustor} = \text{FDDIPI}_{3\text{Q EY-1}} / \text{FDDIPI}_{3\text{Q 2001}}$$

using both FDDIPI values appearing in the same publication which contains the latest available annual value of FDDIPI.

Note: "FDDIPI" as used in this Schedule refers to the *Canada Final Domestic Demand Implicit Price Index* as published regularly by Statistics Canada for the third quarter, on or about November 30 of each year, in CANSIM II Table 380-0003, Series D100466, and printed in Catalogue Number 13-001, matrix 10512, labelled as "Canada Implicit price index; Final Domestic Demand," or any successor index or publication.