



# Investing in First Nations in British Columbia

## NRT Strategic Plan 2012-2015





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New Relationship Trust

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Front cover: Zeballos, BC. Photo by Brock Radelet

## **BACKGROUND:**

In 2005, The First Nations Leadership of British Columbia and the Province of BC entered into a new relationship based on respect, recognition and accommodation of Aboriginal title and rights. The following year, the New Relationship Trust (NRT) was established through the New Relationship Trust Act, which was designed to assist First Nations in British Columbia to build their own capacity. Taking its authority and direction from the Act, NRT supports capacity-building in areas of priority as determined by the Board in collaboration with BC First Nations.

## **VISION:**

A British Columbia where First Nations have efficient and effective governments, vibrant cultures and languages, social justice, and economic prosperity.

## **MISSION:**

Investing in First Nations in British Columbia to assist them in building their own capacity as envisioned by the New Relationship.

## **GUIDING PRINCIPLES:**

- Respect for First Nations' decision-making authority
- Fairness and Equity
- Transparency and Accountability
- Responsible Management of the fund

In addition to the Guiding Principles above, in providing resources to First Nations in BC NRT will:

- Support Nation re-building
- Communicate effectively with First Nations in BC

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- Encourage First Nation participation in NRT's activities and initiatives
- Not replace or duplicate existing Government or First Nation programs
- Leverage NRT funds wherever possible
- Increase the investment fund in order to provide more benefit
- Collaborate with government and other First Nation organizations that share NRT goals and values

## **INTRODUCTION**

The New Relationship Trust (NRT) was created in 2006 as a response to the call for a new relationship between First Nations and the government of British Columbia. In its inaugural year, NRT set the stage for a future strategic direction by engaging with First Nation communities around the province regarding their needs and priorities. Subsequent Regional Engagement sessions were held in 2009 and will be held in the fall of 2012.

NRT's Strategic Plan is directly based on the feedback received during the engagement sessions and from communities throughout the year. Feedback has been consistent and has established a clear mandate and strategic direction for NRT. In particular, NRT is directed to:

- Ensure the fund is available to support future generations by balancing spending with investment; and
- Support capacity building for First Nation communities in five priority areas:
  - ✓ Governance Capacity
  - ✓ Economic Development
  - ✓ Language & Culture
  - ✓ Education
  - ✓ Youth & Elders

The 2012 – 2015 Strategic Plan builds on the successes of NRT to date and integrates feedback from First Nation communities regarding their needs and priorities. Beginning in 2012/13 and based on the recent economic downturn, NRT funding has been reduced to \$6 million per year in comparison to \$7 million per year in the previous three years. NRT continues to spend income earned from investments and a portion of the principle.

## **JOINT MESSAGE FROM THE CHAIR AND CEO**

As we begin a new fiscal year in this changing financial landscape, governments, organizations and individuals alike look toward fiscal responsibility to create a stable, if not prosperous, future. BC's recent 2012 budget announcement, peppered with phrases like 'contained spending' and 'prudent fiscal discipline,' conveys the province's challenging task of balancing the immediate needs of its constituents with the anticipated demand for public services in the future.

Likewise, NRT must consider the most pressing capacity needs of First Nations in BC with our own principle of responsibly managing the fund within an uncertain economy. To this end, we have made a slight shift in our spending strategy, reducing annual program spending from \$7 to \$6 million over the next three years.

Despite a slight reduction in spending we will continue to support initiatives in NRT's existing five strategic directions: Governance Capacity, Economic Development, Language & Culture, Education and Youth & Elders. Fiscal efficiencies will be achieved by shifting support to initiatives that give the most value to communities, as well as scale back in areas where initiatives are already established and can run on their own steam. We will also pay particular attention to making the most of every dollar we spend through leveraging, fundraising, and partnering strategies.

Two strategic areas that are critical to our peoples' futures and therefore seen by the NRT Board as top priorities are Governance Capacity and Economic Development. The Direct Support initiative, for example, provides funding directly to communities for their unique capacity needs. In addition, many initiatives in these areas have excellent leveraging potential; in 2011, for example, \$431,200 of NRT support dollars under the Equity Matching Initiative leveraged \$6,697,656 million in additional funds for First Nation entrepreneurs.

Given the limited window of opportunity to draw on fluent and semi-fluent speakers to pass on vocabulary and traditional knowledge, Language & Culture programming also continues to be of high importance. In the Education stream, responsibility for scholarships and bursaries will be transferred to the newly created New Relationship Foundation, which will in turn free up some of NRT's resources. Our Youth & Elder initiatives remain popular and will continue to support community-based projects as in previous years.

In addition to our regular programming, in 2012 we will perform a third round of Regional Engagement sessions. As we did in 2006 and again in 2009, we will travel throughout the province to educate community members and leaders about our initiatives, and to gather feedback that will inform NRT's future strategic direction. We hope you will attend!

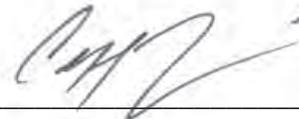
Finally, a couple of events you may want to mark on your calendar for 2012 are the second annual Golf Tournament planned for August 2nd and the BC Young Entrepreneurs Symposium (YES), which will take place in the fall. Check our website to stay in the loop ([www.newrelationshiptrust.ca](http://www.newrelationshiptrust.ca)). Both events promise a really great time, and have the added benefit of supporting our future leaders. The Golf Tournament raises funds for Scholarships and Bursaries, and YES brings young Aboriginal entrepreneurs together for a three-day networking and learning opportunity of a lifetime.

2012 promises to be a big year for NRT. We hope to see and hear from you as we move forward into a future that promises both challenges and opportunities for First Nations in BC.

Yours respectfully,



Kathryn Teneese  
Chair



Cliff Fregin  
CEO

## **STRATEGIC DIRECTION**

NRT will continue to invest in First Nations in BC by supporting efforts in five key areas. In 2012-2015, NRT will support First Nation capacity-building by:

- Enhancing First Nations' **governance capacity**
- Fostering and advancing **economic development** opportunities
- Assisting First Nations in BC to protect and revive their **languages and cultures**
- Encouraging access to **education**
- Supporting initiatives that engage **youth and Elders**

## **GOVERNANCE CAPACITY**

*“Enhancing capacity within First Nation governments”*

NRT defines governance capacity as the knowledge, abilities, skills, and processes First Nation governments require in order to create successful, vibrant, independent and self-sustaining communities.

NRT’s governance capacity strategy has the following components:

- Direct Support to First Nations
- Policy Development
- Tools and Resources

### **Direct Support to First Nations**

NRT will provide direct support to First Nations and their communities for local capacity building and policy development. Preference may be given to initiatives that facilitate collaboration amongst communities where feasible, and therefore support Nation re-building.

Eligible projects include:

- Land use planning, including traditional use studies
- Comprehensive community planning, including economic development planning
- Governance capacity development, including support for human resources, knowledge and systems required to build strong governments
- Negotiations and impact-benefit agreements

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### Policy Development

NRT will support policy development work at a provincial level in order to create and disseminate policies and related initiatives that directly benefit First Nation communities throughout the province.

Policy initiatives supported may include:

- Research and business case development to support policy and legislative initiatives
- Province-wide models / principles to organize First Nations, government and industry, and to support business partnerships, negotiation and revenue and benefit sharing
- Support for organizations working at a provincial level to develop policy in areas of importance to First Nations in BC

### Tools and Resources

NRT will support the development and dissemination of tools and resources that help First Nations in BC and their communities build capacity. NRT will continue to promote the First Nations in BC Web Portal ([www.fnbc.info](http://www.fnbc.info)), which is an online databank for capacity-building tools, best practices and resources. Other capacity building resources may include:

- Best Practices
- Negotiating tools and templates
- Case Studies
- Specific studies and research
- Workshops and information sessions

## ECONOMIC DEVELOPMENT

*“Fostering and advancing economic development opportunities”*

Healthy First Nation communities require a sustainable level of prosperity to achieve their goals and support their programs. By taking advantage of economic development opportunities – both provincially and locally – First Nations can and are beginning to prosper.

NRT’s Economic Development strategy has three focus areas:

- BC First Nations Equity Fund
- Entrepreneur Equity Matching Initiative
- Participation in a BC First Nations Economic Development Strategy

### **BC First Nations Equity Fund**

In March 2010, the BC First Nations Equity Fund Limited Partnership was launched jointly by NRT, All Nations Trust Company (ANTCO) and Nuuchahnulth Economic Development Corporation (NEDC). Initially, this equity fund will concentrate on providing financing to First Nations in BC that are involved in alternative energy projects within the province. Together with the other partners, NRT will continue to work on building a \$50M equity fund for First Nations in BC to support partnerships and involvement in viable business projects.

### **Entrepreneur Equity Matching Initiative**

In 2010, NRT launched the Entrepreneur Equity Matching Initiative (EEMI) to support First Nation entrepreneurs in BC by partnering with BC Aboriginal Capital Corporations (ACCs) to provide matching equity for new or expanding businesses in the province. This exciting opportunity assists entrepreneurs in obtaining financing for their businesses, as well as assisting ACCs in identifying new lending opportunities in their service areas. In 2011, NRT expanded the EEMI to extend equity matching to First Nation community business projects in BC.

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### **BC First Nations Economic Development Strategy**

In 2007, First Nations began work to develop a province-wide First Nations' Economic Development Strategy with input from First Nations, the Leadership Council, government, and industry. This work is ongoing, and is being facilitated by the BC First Nations Leadership Council. The First Nations-led strategy will set out a collective vision, goals and principles, as well as concrete action plans.

NRT will continue to contribute to the BC First Nations Economic Development Strategy and related action plan. NRT will support partnerships that increase the capacity of First Nations in BC in regards to economic development. Related work could include research, policy development, advocacy and gathering baseline information regarding First Nations' economic conditions.

## LANGUAGE & CULTURE

*“Protecting and reviving languages and cultures”*

Sixty percent of the First Nation languages in Canada are spoken in BC. With 10 First Nation language families and more than 30 dialects, BC has the most diverse array of indigenous languages in the country. However, many of these dialects are in danger of being lost. Preservation of First Nation languages and cultures builds self-identity and enhances cultural pride. Under this strategic direction, NRT has prioritized language revitalization due to the current crisis facing First Nation languages in BC.

NRT’s Language and Culture strategy will support:

- Preservation and revitalization of First Nation languages
- Initiatives that promote and revive First Nations’ cultural and artistic traditions

### Language

In partnership with First Peoples’ Heritage, Language and Culture Council (FPHLCC), NRT will continue to support the revitalization and preservation of First Nation languages in British Columbia. Language initiatives may include:

- Enabling First Nations to record, archive and share their languages
- Creating language and cultural immersion environments for all ages within the community/Nation
- Developing language and culture authorities within Nations

### Culture

NRT will continue to support and promote First Nations’ arts and culture through the FPHLCC. Types of initiatives may include:

- Apprenticeship and mentoring programs for artists and arts administrators
- Initiatives that promote First Nation arts and cultural activities

## **EDUCATION**

### *“Encouraging access to education”*

Education is a key to independence for First Nations. Assisting First Nation youth and individuals to pursue and complete secondary and post-secondary education is a high priority for NRT.

In 2011, NRT created the New Relationship Trust Foundation to oversee NRT’s education initiatives, as well as to leverage additional funds for First Nation education. Starting in 2012 the Foundation will carry out NRT’s education strategy. The education strategy currently has the following components:

- Support for the Foundation to attract private and public contributions
- Scholarships and bursaries for post-secondary students
- Support for First Nation communities for K-12 initiatives

### **NRT Foundation**

Beginning in 2012, NRT will transfer the management of the education strategic initiatives to the newly created Foundation. The Foundation will seek additional support for existing education initiatives and will issue tax receipts to companies and individuals that contribute funds.

### **NRT Scholarships and Bursaries**

NRT will continue to provide scholarships and bursaries to assist First Nation students in achieving post-secondary education goals. This program awards funding based on qualification criteria and the student’s proposed contribution back to First Nation communities.

- Scholarships will be awarded for students pursuing undergraduate, Masters and PhD degrees.
- Bursaries will be awarded for certificate, diploma and trades programs.

The New Relationship Trust Foundation will seek to partner with First Nation, public and private scholarship organizations in the province to reach more First Nation students.

### **Supporting k-12 initiatives**

NRT will support initiatives that increase the First Nations high school graduation rate. Initiatives may include support for special projects, tutoring, school supplies and books. Emphasis will be placed on support in the areas of English, math and sciences within K-12 grades.

## **YOUTH & ELDERS**

*“Supporting initiatives that engage Youth and Elders”*

The inclusion of youth and Elders is essential to strong, healthy First Nations. Elders hold the wisdom of past generations; youth provide the key to a healthy and vital future.

Based on feedback received in recent years, we will focus support on community-based projects, activities and events for youth and Elders.

### **Youth**

NRT will continue to support projects for youth at the community and provincial levels that:

- Strengthen youth leadership and governance
- Support youth entrepreneurship, including the annual Young Entrepreneurs Symposium (YES)
- Build capacity for youth
- Promote mentorship for youth
- Provide networking opportunities for youth

### **Elders**

NRT will continue to support projects for Elders that:

- Assist groups, communities and organizations representing First Nation Elders in BC, including the annual Elders Gathering
- Develop and deliver projects at the First Nation community level
- Benefit and build capacity for Elders

## INVESTMENT

At Regional Engagements Sessions held in 2006 and 2009, survey feedback provided by First Nations in BC stated that NRT should seek to maintain the investment fund so that future generations of First Nation people will benefit.

### Investing

NRT's investment strategy consists of short-term and long-term investments. The short-term investment strategy preserves capital by investing in safe and liquid investments. This in turn allows for funding stability. The long-term investments are allocated according to the following range of target asset mixes:

Asset Type	Minimum	Benchmark	Maximum
Fixed Income	20%	40%	50%
Canadian Equities	20%	30%	40%
Global Equities	20%	30%	40%
		<b>100 %</b>	

In 2012 – 2015, NRT will investigate the viability of allocating up to 5% of its investment portfolio (Target Asset Mix) to invest directly into BC First Nation investment opportunities.

### Fund Growth

A key goal of NRT's financial strategy is growing the investment fund in order to support sustainable and ongoing Nation re-building activities. Fund growth will be accomplished by establishing collaborative partnerships, leveraging program funds from government and other organizations, and other fundraising activities.

### Spending

NRT's spending strategy is revised each year during the annual strategic planning session. Spending is dependent on returns on investment, leveraging and fund growth, which differ from year-to-year.

Balancing the needs of First Nations and in recognition of the current economic challenges faced by all, NRT has decided to decrease its project spending budget from \$7 million to \$6 million for 2012/13 and to set targets for 2013/14 and 2014/15 of the

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same annual amount. These targets will be reviewed each year. Accordingly, NRT's 2012 - 2015 program spending strategy is as follows:

In \$millions	2012/13	2013/14	2014/15
Governance Capacity	2.75	2.75	2.75
Economic Development	1.00	1.00	1.00
Culture & Language	0.75	0.75	0.75
Education	1.00	1.00	1.00
Youth & Elders	0.50	0.50	0.50
<b>Total</b>	<b>6.00</b>	<b>6.00</b>	<b>6.00</b>

NRT's goal is to limit annual administrative costs to less than 2% of the investment portfolio.

### Investment Governance

In order to demonstrate transparency and accountability, NRT established a governance framework for the investment of funds. Components of the framework are as follows:

- An independent, professional investment advisory firm was initially engaged to develop an investment policy and strategy and to assist in the selection of investment managers. The investment advisory firm reports to NRT quarterly regarding portfolio performance and Investment Manager changes
- A custodian firm has been engaged to hold the investments and provide independent accounting of portfolio transactions
- Expertise: three professional investment managers have been selected to manage the investment portfolio. Each Investment Manager manages one of the long-term components of the investment fund: either Fixed Income, Global Equities, or Canadian Equities
- Diversification: the investments are diversified amongst companies, geographic regions, strategies, and Investment Managers
- Re-balancing: the long-term portfolio is re-balanced quarterly, if necessary, to maintain NRT's long-term target asset diversification mix

NRT will be reviewing its investment strategy in 2012 to determine if improvements can be made.

## COMMUNICATIONS

Accountability is one of NRT's guiding principles. In keeping with this principle, we perform a number of key communication tasks throughout the year that maintain a high level of accountability to all First Nations in BC and the province.

***NRT's areas of focus are the leaders and members of First Nations in BC and their communities, and the leadership of the Province of BC.***

NRT will maintain a Communications Strategy that complements the Strategic Plan. The Communications Strategy will be updated annually.

### Communications Delivery

NRT employs a multi-faceted approach to communications to raise awareness and knowledge about NRT activities. Specifically, NRT:

- Publishes and distributes a three-year Strategic Plan
- Prepares and publishes an Annual Report containing the audited financial statements and annual performance results
- Promotes and creates awareness of opportunities for First Nations to benefit from NRT initiatives and programs
- Informs and educates First Nation and government leaders about NRT vision, mission and strategic initiatives
- Publishes a periodic newsletter
- Maintains a web site ([www.newrelationshiptrust.ca](http://www.newrelationshiptrust.ca)) and uses technology to improve the overall effectiveness of NRT communications
- Partners with the First Nations Technology Council to maintain the First Nations in BC web portal ([www.fnbc.info](http://www.fnbc.info))

## **Feedback Gathering**

As part of its annual strategic planning activity, NRT solicits feedback from First Nations in BC regarding program and funding priorities as well as management of the investment fund. Feedback is integrated into the Strategic Plan each year and is posted to the NRT web site for public information purposes.

Specific feedback gathering strategies are as follows:

- NRT will deliver an annual survey by mail, email, and/or telephone regarding program priorities
- NRT will perform focused surveys about a specific area of programming or operations as required
- NRT will perform a province wide engagement process every three years. Regional Engagement sessions were held in 2006, 2009 and will be held in the fall of 2012

## **RELATIONSHIP BUILDING**

A number of NRT's guiding principles speak to the need for relationship building, both amongst First Nations and between First Nations and other agencies and governments. These principles include:

- Reflecting the intent and purpose of the New Relationship vision
- Supporting Nation re-building
- Not replacing or duplicating existing government or First Nation programs

Accordingly, NRT's strategy for relationship building includes the following tactics:

### **Partnering**

NRT will establish and maintain partnerships with First Nations, public and private organizations that share common goals and values in order to leverage funds and minimize administrative costs. NRT's current partners are:

- First Peoples' Heritage Language and Culture Council (FPHLCC)
- First Nations Education Steering Committee (FNESC)
- First Nations Technology Council (FNTC)
- All Nations Trust Company (ANTCO)
- Nuu-chah-nulth Economic Development Corporation (NEDC)
- Tale'awtxw Aboriginal Capital Corporation (TACC)
- Tribal Resource Investment Corporation (TRICORP)
- First Nations Agricultural Lending Association (FNALA)
- Community Futures Development Corporation of Central Interior First Nations (CFDCCIFN)
- Northern Development Initiative Trust (NDIT)
- BC Treaty Commission

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### **Nation re-building**

In order to support Nation re-building and cooperation amongst First Nation communities in BC, NRT will:

- Where possible within the existing strategic priorities, make support available to initiatives that foster cooperation between communities
- Where practical, ensure that information and outcomes of NRT support are shared amongst Nations

## 2012 - 2015 PERFORMANCE TARGETS

### Short Term (1 - 3 years)

#### Governance

- Develop 5 Best Practice toolkits and facilitate training sessions to introduce them to BC First Nations.
- Develop and deliver 3 - 5 regional training sessions
- In partnership with First Nation organizations, create a self-assessment tool to help First Nations in BC to self-determine where and how they wish to focus on governance capacity development
- Fund up to 8 projects per year in each of the following areas: Land Use Planning, Traditional Land Use Planning, Economic Development Planning, Negotiations and Impact Benefit Agreements
- Fund up to 5 policy development projects per year for provincially mandated BC First Nation organizations
- By the end of year 3, secure up to 75% of the administrative and maintenance costs associated with the First Nations in BC web portal

#### Education

- Create and distribute a brochure that showcases NRT scholarships recipients
- Assist up to 40 First Nation students per year with funding toward completion of post-secondary degrees and up to 60 First Nation students per year toward completion of certificate and/or trades programs
- Attract an additional \$1 million for scholarships and bursaries for First Nations in BC through partnerships and leveraging
- Establish a database of past NRT Scholarship recipients to be used in conjunction with the NRT Foundation to promote the hiring of First Nation graduates and post-secondary students

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### **Language and Culture**

- Leverage an additional \$1 million in capital for First Nation language and culture initiatives from public and private sources
- In partnership, support the digital archiving of up to 10 BC First Nation language dialects

### **Youth and Elders**

- Provide funding for up to 50 youth projects per year
- Provide funding for up to 80 Elders projects per year
- Provide financial support to the annual Elders Gathering

### **Economic Development**

- In partnership with BC Aboriginal Capital Corporations, support up to 50 First Nation entrepreneurs and 5 First Nation communities in BC each year by matching equity for business start-ups and/or expansion of businesses within BC
- Work with First Nations and First Nation organizations in BC to implement the BC First Nations Economic Development Strategy
- Provide equity participation loans for up to 5 projects through the BC First Nation Equity Fund

### **Investments**

- Leverage new project funding at a goal of 2:1
- Maintain the investment fund at \$60 million by March 31, 2015
- Limit annual administrative costs to less than 2% of the investment portfolio

### **Partnerships**

- Develop and maintain at least 6 partnerships / protocols with other First Nation organizations in order to promote collaboration and prevent duplication of products and services

**Medium Term (3 - 5 years)**

- Support the First Nations leadership in BC to develop mechanisms that assist First Nations and the government of BC to negotiate reform
- Initiate a First Nations equity fund to support economic development initiatives, with a goal of building a \$50 million BC First Nations Equity Fund
- Fundraise an additional \$50 million in capital for the capacity-building objectives of First Nations
- Maintain annual NRT project funding at a minimum of \$6 million

**Long Term (5 - 10 years)**

- Grow the Investment Fund to \$100 million by 2025, through investment and contributions
- Grow annual project funding to \$6+ million per year by 2025

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