

Investing in First Nations in British Columbia

NRT Strategic Plan 2014-2017





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New Relationship Trust

www.newrelationshiptrust.ca

Suite 1008 – 100 Park Royal South
West Vancouver BC V7T 1A2

Telephone: 604-925-3338

Toll-free: 1-877-922-3338

Facsimile: 604-925-3348

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BACKGROUND:

In 2005, The First Nations Leadership of British Columbia (BC) 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 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 First Nations in BC.

VISION:

A British Columbia where First Nations have vibrant cultures and languages, effective governments, social justice, economic prosperity, and where all forms of education are valued and accessible.

MISSION:

Investing in First Nations in British Columbia to assist them in building their capacity as envisioned by a new relationship.

GUIDING PRINCIPLES:

- Respect for First Nations' decision-making authority, including traditional teachings and laws
- 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 First Nation re-building

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- Communicate effectively with First Nations in BC
- Encourage First Nations participation in NRT's activities and initiatives
- Not replace or duplicate existing government or First Nations programs
- Leverage NRT funds wherever possible
- Increase the investment fund in order to provide more benefits
- Collaborate with organizations, both public and private, 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 BC. In its inaugural year, NRT set the stage for a future strategic direction by engaging with First Nations communities around the province regarding their needs and priorities. Subsequent Regional Engagement sessions were held in 2009 and 2012.

NRT's Strategic Plan is directly based on community feedback, which has consistently 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 Nations communities in five priority areas:
 - » Governance Capacity
 - » Economic Development
 - » Language & Culture
 - » Education
 - » Youth & Elders

The 2014 – 2017 Strategic Plan builds on the successes of NRT to date. Annual spending remains consistent at \$6 million per year dispensed through initiatives that directly impact communities. NRT will maintain our goal of keeping our administration costs to less than 2% of our annual investment portfolio value. NRT continues to spend income earned from investments and a portion of the principle.

JOINT MESSAGE FROM THE CHAIR AND CEO

On behalf of the entire Board of Directors and staff at New Relationship Trust (NRT), we are pleased to present this Strategic Plan for 2014 – 2017, a document that lays the pathway we follow forward for the next three years.

Held each January, NRT's annual strategic planning session is an opportunity to share the details of the past year's progress with the Board; we discuss programs and performance in depth and consider changes in direction that will best serve First Nations in BC in the coming years.

Reviewing the past year's activities, we saw progress and tangible results in our initiatives. For example, with more than \$33 million in project funding to date, we have reached 80% of communities with governance capacity support, awarded nearly 1,000 post secondary scholarships and bursaries, helped archive 36 First Nation language dialects, and funded 31 policy-related projects. We've also had some dramatic success helping First Nations entrepreneurs and community businesses access capital with over \$35 million leveraged to date thanks to our equity matching initiative. As we review our performance measures – reported on pages 22 through 24 of this document – it's satisfying to see that we are on track, meeting and in some cases exceeding our targets.

Looking forward, the Board continues to support the five strategic priorities established in NRT's inaugural year, when community leaders members told us that the areas of utmost importance were education, governance, economic development, youth & Elders, and language & culture. These overarching priorities have stayed consistent for seven years, and strategic planning is now an exercise of refinement, whereby we build upon our successes and fine tune our existing initiatives so they best address our mandate of helping First Nations to build capacity.

With this in mind, we will employ a number of specific strategic approaches in 2014 and beyond. We will continue to build partnerships and pursue leveraging opportunities to increase support for our initiatives. We will endeavour to extend our reach to communities that have not yet accessed NRT support, assisting those with capacity challenges so they too may partake. And we will build feedback loops to ensure that the support we provide for individuals and communities in turn benefits all First Nations in BC wherever possible.

This year's strategic planning session saw a passionate discussion about the need to support youth, and to this end we will reinforce our commitment to youth by expanding our support of the annual YES (Young Entrepreneurs Symposium); in 2014 we are looking to host the national YES event, as well as five regional YES sessions across the province.

A number of other capacity-building initiatives are in development, including a guidebook on asserting First Nations rights and partnering on a Fall 2014 seminar on First Nations Trusts. In addition, new capacity initiatives will be investigated or possibly piloted in 2014, and we will be sure to keep you apprised of any updates.

As we move forward into a new year of strategic initiatives, we acknowledge that making a difference requires that we stay flexible; under the umbrella of the five strategic priorities identified by First Nations communities we remain responsive to community feedback and will review and revise specific initiatives accordingly. We look forward to another year of progress at NRT, and we hope you will join us as we follow the pathway forward.

Yours sincerely,

A blue ink signature of Hugh Braker, consisting of a stylized 'H' followed by a series of horizontal strokes.

Hugh Braker
Chair

A black ink signature of Cliff Fregin, featuring a stylized 'C' followed by a series of loops and a long horizontal stroke.

Cliff Fregin
CEO

STRATEGIC DIRECTION

NRT will continue to invest in First Nations in BC by supporting efforts in five key areas. In 2014-2017, NRT will support First Nations 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 Nations governments”

NRT defines governance capacity as the knowledge, abilities, skills, and processes First Nations 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 and marine 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
- Negotiating agreements in relation to governance
- Implementation of agreements with government and/or the private sector

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 Nations 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
- Support for coordinated policy work by the First Nations Leadership Council

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), which is an online databank for capacity-building tools, best practices and other resources. In addition, NRT will continue to develop and disseminate an assertion and consultation framework guide for First Nations. 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 Nations 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
- Other economic development opportunities

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 Nations 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. NRT will continue to offer the EEMI to both business and community projects and will expand outreach efforts in partnership with ACCs to ensure potential applicants are aware of this opportunity.

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Other Economic Initiatives

Beginning in 2013 and continuing over the next three years, NRT will seek public and private partnerships to support capacity building for First Nations in the economic and business development sector. In addition, NRT will research 'access to capital' opportunities, which allow First Nations in BC to participate in viable economic opportunities.

LANGUAGE & CULTURE

“Protecting and reviving languages and cultures”

Sixty percent of the First Nations languages in Canada are spoken in BC. With 10 First Nations 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 Nations 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 Nations languages in BC.

NRT’s Language and Culture strategy will support:

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

Language

In partnership with First Peoples’ Cultural Council (FPCC), NRT will continue to support the revitalization and preservation of First Nation languages in BC. 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 FPCC. Types of initiatives may include:

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

NEW RELATIONSHIP TRUST FOUNDATION

In 2011, NRT created the New Relationship Trust Foundation. This strategic decision allows the Foundation to use its charitable status to attract additional support for NRT's education initiatives.

The mission of the Foundation is:

"To assist Aboriginal peoples in BC separately and collectively to meet their education goals, and to support the educational components of Aboriginal language revitalization."

The Foundation was created with an initial contribution of \$105,000 from NRT. The long term goal is to build an endowment fund of \$30 million over the next ten years. In the short term, the Foundation is seeking to leverage donations of \$750,000 over the next three years.

In 2012, the Foundation assumed oversight of NRT's education initiatives. To date, the Foundation has leveraged in excess of \$500,000 in support from new partners. The Foundation will continue to seek donations from the private and public sectors for education support.

EDUCATION

“Encouraging access to education”

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

The education strategy currently has the following components:

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

NRT Foundation

Through the NRT Foundation, NRT 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 Nations students in achieving post-secondary education and training goals. This program awards funding based on qualification criteria and the student’s proposed contribution back to First Nations 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 Nations, public and private scholarship organizations in the province to reach more First Nations students.

Supporting K-12 Initiatives

NRT supports initiatives that increase the First Nations high school graduation rate. In 2012, NRT created the K-12 Education Grants initiative, which provides funds to First Nations in BC to deliver K-12 projects at the community level. Eligible projects fall into three categories: English / literacy, math and science.

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 annual national and regional Young Entrepreneurs Symposiums (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 Nations Elders in BC, including the annual Elders Gathering
- Develop and deliver projects at the First Nations community level
- Benefit and build capacity for Elders

INVESTMENT

NRT's investment strategy is based on feedback from First Nations leaders and community members, as well as insight and analysis from investment professionals regarding market trends and opportunities. Community feedback received at First Nations leadership meetings and NRT Regional Engagements in the past has consistently stated a preference that NRT seek to maintain the fund so that future generations of First Nations people will benefit. Accordingly, the NRT Board of Directors has maintained current program spending at \$6 million per year. NRT continually reviews its investment strategy in order to ensure that it both reflects current economic issues and optimizes return on investment.

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
Equities			
Global equities (MSCI World Index)	30%	40%	50%
Canadian equities (S&P/TSX Composite Index)	20%	30%	40%
Total equity	60%	70%	75%
Fixed Income			
Canadian bonds (DEX Universe Bond Index)	20%	30%	40%
Total Fund		100%	

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's current spending budget is \$6 million annually for 2014/15 through 2016/17. This amount reflects spending interest and a small amount of principal. Spending targets will be reviewed each year. NRT's 2014 - 2017 program spending strategy is as follows:

Strategy	2014/15	2015/16	2016/17
Governance Capacity	\$2,750,000	\$2,750,000	\$2,750,000
Economic Development	1,000,000	1,000,000	1,000,000
Language & Culture	750,000	750,000	750,000
Education	1,000,000	1,000,000	1,000,000
Youth & Elders	500,000	500,000	500,000
TOTAL	\$6,000,000	\$6,000,000	\$6,000,000

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 review its investment strategy in 2014 to determine if improvements can be made to the overall return on investment.

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.

Communication 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 Nations and government leaders about NRT vision, mission and strategic initiatives
- Publishes a periodic newsletter
- Maintains a web site (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)
- Utilizes social media platforms (Facebook, YouTube and Twitter) to keep constituents informed of NRT news and activities

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, 2012 and will be held in the fall of 2015
- NRT will use social media to solicit comments from NRT followers

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 Nations programs
- Encouraging inter-community cooperation and partnerships

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' Cultural Council (FPCC)
- 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)
- BC Treaty Commission
- First Nations Health Authority
- Provincial Health Services Authority
- Native Fishing Association

- First Nations Leadership Council:
 - » First Nations Summit (FNS)
 - » BC Association of First Nations (BC AFN)
 - » Union of BC Indian Chiefs (UBCIC)

Nation re-building

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

- Where possible within the existing strategic priorities, provide incentives through support to initiatives that foster cooperation between communities
- Where practical, ensure that information and outcomes of NRT support are shared amongst Nations
- Although NRT is not an agent of the government or the First Nations Leadership Council, communication and cooperation with the Province of BC and with BC's First Nations leadership is integral to NRT's operating policies and procedures as well as to its ongoing evolution.

2014 - 2017 PERFORMANCE TARGETS

Short Term (1 - 3 years)

Governance

- Develop and deliver 3 - 5 regional training sessions per year
- In partnership with First Nations organizations, create and / or support the development of governance capacity tools for First Nations
- Fund up to 12 community 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 Nations organizations
- Fund 1 or more policy coordination initiative annually for First Nations leadership of BC
- Secure up to 75% of the administrative and maintenance costs associated with the First Nations in BC web portal

Education

- Create and distribute an annual brochure that showcases NRT scholarship and bursary recipients
- Assist up to 40 First Nations students per year with funding toward completion of post-secondary degrees and up to 60 First Nations students per year toward completion of diploma, certificate and/or trades programs
- Support the New Relationship Trust Foundation to attract an additional \$750,000 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 Nations graduates and post-secondary students

Language and Culture

- Leverage an additional \$1 million in capital for First Nations language and culture initiatives from public and private sources
- In partnership, support the digital archiving of up to 10 BC First Nations 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
- Provide financial support to an annual gathering or initiative that builds capacity for BC First Nations Youth

Economic Development

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

Investments

- Leverage new project funding at a goal of 2:1
- Maintain the investment fund at \$60 million by March 31, 2017
- Limit annual administrative costs to less than 2% of the investment portfolio

Partnerships

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

Medium Term (3 - 5 years)

- Enhance First Nations governments' capacity to negotiate, with the government, agreements for shared decision-making, land use planning, land and resource management and revenue and benefit sharing
- 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 + years)

- Grow the Investment Fund to \$100 million by 2025, through investment and contributions
- Continue to grow the First Nations equity fund to support economic development initiatives, with a goal of building a \$50 million BC First Nations Equity Fund
- Grow annual project funding to \$6+ million per year by 2025



