

Chapter 23: Implementation

Part 23.1 Definitions

23.1.1 In this chapter:

"Implementation Committee" means the committee referred to in section 23.4.1.

Part 23.2 General

23.2.1 The Parties shall establish an implementation plan for implementation of the Agreement.

Part 23.3 Implementation Plan

23.3.1 The Implementation Plan shall be for an initial term of ten years, commencing on the Effective Date.

23.3.2 The Implementation Plan:

- (a) shall not form part of the Agreement;
- (b) is not intended to be a treaty or land claims agreement and is not intended to recognize or affirm aboriginal or treaty rights within the meaning of sections 25 and 35 of the *Constitution Act, 1982*;
- (c) does not create any legal obligations except as set out in the Implementation Plan;
- (d) does not alter any rights or obligations set out in the Agreement; and
- (e) shall not be used to interpret the Agreement.

23.3.3 To the extent the Implementation Plan creates legal obligations it shall stipulate that the performance of those obligations provides a discharge of the related Agreement obligations to the extent set out in the Implementation Plan.

23.3.4 The Implementation Plan shall identify:

- (a) the obligations required to implement the Agreement and describe the activities required to implement those obligations;
- (b) how and by whom the activities referred to in subsection (a) will be carried out and any associated time periods;
- (c) how the obligations referred to in subsection (a) will be fulfilled;

- (d) a process for the periodic review and renewal of the Implementation Plan beyond the initial term of the Implementation Plan;
- (e) the level of funding to be provided to implement the Agreement, in addition to the amounts referred to in sections 23.5.1 and 23.6.1;
- (f) the cost-sharing arrangements among the Parties for funding referred to in subsection (e);
- (g) a communication strategy to inform Inuit and other interested Persons of the implementation and content of the Agreement; and
- (h) other matters agreed to by the Parties.

Part 23.4 Implementation Committee

23.4.1 The Parties shall, as soon as practicable, but no later than three months from the Effective Date, establish an implementation committee.

23.4.2 The Implementation Committee shall consist of one member appointed by the Minister of Indian Affairs and Northern Development, one member appointed by the Province and one member appointed by the Nunatsiavut Government.

23.4.3 The chair of the Implementation Committee shall rotate among the members in the order and with the frequency decided by the Implementation Committee.

23.4.4 The Implementation Committee has the following responsibilities:

- (a) to oversee and provide direction on implementation of the Agreement;
- (b) to monitor implementation of the Agreement and compliance with the Implementation Plan;
- (c) consistent with Government budgetary planning processes, to re-allocate funds in accordance with the Implementation Plan;
- (d) to facilitate and promote the negotiated resolution of Disputes related to implementation of the Agreement without in any way derogating from or abrogating chapter 21 or postponing recourse to Dispute resolution under chapter 21;
- (e) to conduct periodic reviews of implementation of the Agreement and to provide an annual report on implementation of the Agreement to the Parties;
- (f) to make recommendations to the Parties on the renewal of the Implementation Plan beyond the initial term; and

(g) to establish rules to govern its internal procedures.

23.4.5 Each Party is responsible for its costs of participation on the Implementation Committee.

23.4.6 All decisions of the Implementation Committee shall be by unanimous agreement.

23.4.7 Canada shall be responsible for the costs of the annual report of the Implementation Committee.

Part 23.5 Nunatsiavut Government Implementation Fund

23.5.1 Canada shall transfer to the Nunatsiavut Government:

- (a) the amount in respect of the implementation of the Agreement in accordance with schedule 23-A; and
- (b) \$1.0 million under the Park Impacts and Benefits Agreement for the Torngat Mountains National Park Reserve of Canada.

23.5.2 Subject to sections 23.5.1 and 23.5.3, and notwithstanding any other provision of the Agreement, Canada has no obligation to provide additional funding in respect of the implementation of the Agreement.

23.5.3 Nothing in section 23.5.2 releases Canada from:

- (a) federal obligations:
 - (i) under section 19.1.1;
 - (ii) in relation to the establishment and operation of the Torngat Wildlife and Plants Co-Management Board;
 - (iii) in relation to the establishment and operation of the Torngat Joint Fisheries Board;
 - (iv) in relation to the establishment and operation of the Dispute Resolution Board;
 - (v) in relation to the establishment and operation of the Enrolment Committees and the enrolment appeal commission referred to in section 3.5.1;
 - (vi) in relation to the establishment and operation of the Ratification Committee; and
 - (vii) in relation to sections 4.13.5, 6.4.10, 23.4.7, 23.6.1 and, with respect to federal Protected Areas, section 9.4.20;

- (b) funding obligations that have been negotiated:
 - (i) in Fiscal Financing Agreements, Inuit Impacts and Benefits Agreements, Park Impacts and Benefits Agreements, Protected Area Agreements and Marine Protected Area Agreements; or
 - (ii) under section 17.27.10; or
- (c) any obligations to incur operating expenditures in respect of its internal costs of meeting obligations under the Agreement.

23.5.4 The payment of the amounts set out in schedule 23-A and section 23.6.1 shall be exempt from taxation. Unless otherwise specified in chapter 20, any future income derived from the amounts set out in schedule 23-A and section 23.6.1 shall be subject to the *Income Tax Act*, the *Income Tax Act, 2000* and Laws of General Application.

23.5.5 Nothing in this part affects the obligations of the Province under the Agreement and for greater certainty:

- (a) any obligation assigned to Canada by the Agreement is and remains the responsibility of Canada, and the Province shall not be held responsible in the event of any failure or default in whole or in part by Canada; and
- (b) any obligation assigned to the Province by the Agreement is and remains the responsibility of the Province, and Canada shall not be held responsible in the event of any failure or default in whole or in part by the Province.

Part 23.6 Early Implementation

23.6.1 Canada shall pay Labrador Inuit Association \$5.0 million on the date of the signing of the Agreement.

23.6.2 The amount referred to in section 23.6.1 will be adjusted by multiplying that amount by the value of the Canada Final Domestic Demand Implicit Price Index for the second latest quarter prior to the signature of the Agreement for which the Canada Final Domestic Demand Implicit Price Index has been published by Statistics Canada, and by dividing by the value of the Canada Final Domestic Demand Implicit Price Index for the second quarter of 1997 and will be paid in a lump sum.

Schedule 23-A: Provisional Implementation Payments Schedule	
<u>Date</u>	<u>Payments*</u>
On the Effective Date	\$34,590,514
On the first anniversary of the Effective Date	\$34,590,514
On the second anniversary of the Effective Date	\$17,295,257
On the third anniversary of the Effective Date	\$17,295,257
On the fourth anniversary of the Effective Date	\$17,295,257
On the fifth anniversary of the Effective Date	\$17,295,257
On the sixth anniversary of the Effective Date	\$17,295,257
On the seventh anniversary of the Effective Date	\$17,295,257
On the eighth anniversary of the Effective Date	\$8,647,629
On the ninth anniversary of the Effective Date	\$8,647,629

*Final payment amounts will be calculated in accordance with the following notes.

Notes for Finalizing Schedule 23-A

1. These notes will not form part of the Agreement. The purpose of these notes is to enable the Parties to calculate the amounts to be shown in the provisional schedule of implementation payments and the amounts for the final schedule of implementation payments.
2. In these notes:

“FDDIPI” means the Final Domestic Demand Implicit Price Index for Canada published regularly by Statistics Canada; and

“Transition Date” means the date that is 15 months after the signing of the Agreement.
3. The provisional schedule of implementation payments was calculated such that:

- (a) the provisional schedule will provide for a first payment on the Effective Date and subsequent payments on each anniversary date;
- (b) the present value of the amounts listed in the provisional schedule will equal \$151.0 million multiplied by the FDDIPI for the first quarter of 2003 and by dividing the resulting product by the value of the FDDIPI for the second quarter of 1997; and
- (c) the present value referred to in note 3(b) is calculated using as a discount rate 4.205 percent, which is the nine year amortized Consolidated Revenue Fund Lending Rate that the Minister of Finance for Canada has approved for August 2003, less 0.125 percent.
4. The final schedule of payments will be calculated prior to the Effective Date by multiplying each amount in the provisional schedule of payments by the value of the FDDIPI for the latest quarter available at that date or the value of FDDIPI for the quarter that includes the Transition Date, whichever is less, and by dividing the resulting product by the value of the latest available FDDIPI for the same quarter used to calculate the provisional schedule of payments described in note 3.
5. If the period between the signature of the Agreement and the Effective Date exceeds 15 months, each amount in the provisional schedule will be adjusted by multiplying the resulting amount in note 4 by
- $$(1 + DR)^Y \times (1 + [DR \times d/365])$$
- where “DR” is the same discount rate described in note 3(c),
 where “Y” is the number of complete years between the Transition Date and the Effective Date, and
 where “d” is the number of days in any partial year between the Transition Date and the Effective Date.
6. Payments will be made to the Nunatsiavut Government in accordance with the final schedule of payments that will be incorporated into the Agreement immediately prior to the Effective Date.