

SUBJECT: Implementation Plan

OBLIGATION: Prepare Implementation Plan
23.2.1, 23.3.1, 23.3.3, 23.3.4

PARTIES: Labrador Inuit Association
Province - Department of Labrador and Aboriginal Affairs
Canada - Department of Indian Affairs and Northern Development
Chief Negotiators for the Parties

	<i>Activities</i>	<i>Responsibility</i>	<i>Timing</i>
1	Prepare Implementation Plan to include all matters listed in section 23.3.4 of the Agreement, for an initial term of ten years commencing on the Effective Date.	Labrador Inuit Association Province e- Department of Labrador and Aboriginal Affairs Canada - Department of Indian Affairs and Northern Development	Prior to ratification of the Agreement by the Parties.
2	If the Implementation Plan creates legal obligations, stipulate that the performance of these obligations will provide a discharge of the related Agreement obligations to the extent set out in the Implementation Plan.	Labrador Inuit Association Province e- Department of Labrador and Aboriginal Affairs Canada - Department of Indian Affairs and Northern Development	Prior to initialling the Implementation Plan.
3	Initial the Implementation Plan.	Chief negotiators	Prior to the ratification of the Agreement.
4	Make electronic and paper copies available to the Parties.	Labrador Inuit Association Province e- Department of Labrador and Aboriginal Affairs Canada - Department of Indian Affairs and Northern Development	As agreed.

PLANNING ASSUMPTIONS, GUIDELINES AND EXPLANATIONS

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 (23.3.2).
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FINAL AGREEMENT PROVISIONS

- 23.2.1 The Parties shall establish an implementation plan for implementation of the Agreement.
 - 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.
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CROSS-REFERENCED AND RELATED PROVISIONS

General Definitions and Interpretation - 1.1.1 - "Implementation Plan"
Section 25 and 35 of the *Constitution Act, 1982*.

BUDGET AND FUNDING RESPONSIBILITIES

Canada will be responsible for printing the first run of the Implementation Plan according to an agreement by all Parties.

COMMUNICATION ACTIVITIES

	<i>Activities</i>	<i>Responsibility</i>	<i>Timing</i>
1	The Implementation Plan shall contain a communication strategy to inform the Inuit and other interested Persons of the implementation and content of the Agreement	As identified in the Implementation Plan.	As identified in the Implementation Plan.

SUBJECT: Implementation Committee

OBLIGATION: Establish and operate Implementation Committee
23.4.1-23.4.4

PARTIES: Nunatsiavut Government
Province - Department of Labrador and Aboriginal Affairs
Canada - Minister of Indian Affairs and Northern Development

	<i>Activities</i>	<i>Responsibility</i>	<i>Timing</i>
1	Appoint one member each to the Implementation Committee and notify other Parties.	Nunatsiavut Government Province - Department of Labrador and Aboriginal Affairs Canada - Minister of Indian Affairs and Northern Development	No later than three months after Effective Date.
2	Call initial meeting of the Implementation Committee to select Chair and establish internal procedures.	Nunatsiavut Government Province - Department of Labrador and Aboriginal Affairs Canada - Department of Indian Affairs and Northern Development	As soon as practicable.
3	Carry out the responsibilities listed in section 23.4.4 of the Agreement.	Implementation Committee	Ongoing once the Committee has been established.

PLANNING ASSUMPTIONS, GUIDELINES AND EXPLANATIONS

Rotate the Chair among the members in the order and with the frequency decided by the Implementation Committee (23.4.3).

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

FINAL AGREEMENT PROVISIONS

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.
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CROSS-REFERENCED AND RELATED PROVISIONS

23.1.1 - "Implementation Committee"

BUDGET AND FUNDING RESPONSIBILITIES

Each Party shall be responsible for its costs of participation on the Implementation Committee (23.4.5).

Costs of the annual report of the Implementation Committee shall be the responsibility of Canada (23.4.7).

SUBJECT: Nunatsiavut Government implementation fund

OBLIGATION: Calculate and schedule payments for the implementation fund and Park Impacts and Benefits Agreement 23.5.1 & Schedule 23-A

PARTIES: Nunatsiavut Government
Canada - Department of Indian Affairs and Northern Development

	<i>Activities</i>	<i>Responsibility</i>	<i>Timing</i>
1	Adjust: a) the amounts set out in schedule 23-A of the Agreement; and b) the \$1.0 million Park Impacts and Benefits Agreement for the Torngat Mountains National Park Reserve of Canada (PIBA) according to terms and conditions set out in the PIBA.	Canada - Department of Indian Affairs and Northern Development	Prior to the signature of the Agreement.
2	Develop a final schedule of payments to be incorporated into the Agreement.	Canada - Department of Indian Affairs and Northern Development Nunatsiavut Government	Immediately prior to the Effective Date.
3	Make payments according to schedule 23-A and the PIBA.	Canada - Department of Indian Affairs and Northern Development	According to terms set out in schedule 23-A and the PIBA.

PLANNING ASSUMPTIONS, GUIDELINES AND EXPLANATIONS

Other than the funding obligations identified in this Activity Sheet, Canada has no obligation to provide funding for implementation if the Agreement with the exception of:

(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 (23.5.3).

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 (23.5.2).

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 (23.5.4).

Nothing in this Activity Sheet 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 (23.5.5).

The implementation fund includes Canada's contribution of \$5.0 million to the Nunatsiavut Government to assist in the preservation and development of Inuit heritage and Inuit heritage resources (15.2.7).

The implementation fund includes Canada's contribution of \$10.0 million to a fund to be known as the Hebron Community Commemorative Fund that shall be established by the Nunatsiavut Government (15.2.8).

FINAL AGREEMENT PROVISIONS

23.5.1 Canada shall transfer to the Nunatsiavut Government:

- (a) the amounts to the Nunatsiavut Government 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.

CROSS-REFERENCED AND RELATED PROVISIONS

Park Impacts and Benefits Agreement for the Torngat Mountains National Park Reserve of Canada

BUDGET AND FUNDING RESPONSIBILITIES**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.

SUBJECT: Early implementation payment

OBLIGATION: Provide Labrador Inuit Association with early implementation payment
23.6.1 & 23.6.2

PARTIES: Canada - Department of Indian Affairs and Northern Development
Labrador Inuit Association

	<i>Activities</i>	<i>Responsibility</i>	<i>Timing</i>
1	Adjust the \$5.0 million early implementation payment by multiplying that amount by the value of the Canada Final Domestic Demand Implicit Price Index (FDDIPI) for the second latest quarter prior to the signature of the Agreement for which the FDDIPI has been published by Statistics Canada, and by dividing by the value of the FDDIPI for the second quarter of 1997.	Canada - Department of Indian Affairs and Northern Development Labrador Inuit Association	Prior to signing the Agreement.
2	Make early implementation payment in lump sum.	Canada - Department of Indian Affairs and Northern Development	On the date of the signing of the Agreement.

FINAL AGREEMENT PROVISIONS

- 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.