2020-2023 NORTHERN ACTION PLAN (NAP 20-23)

OPPORTUNITY BUDGET

Guide for promoters

Société du Plan Nord
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1. DEFINITION AND OBJECTIVE OF THE OPPORTUNITY BUDGET

The Opportunity Budget is a governmental financial tool included in the NAP 20-23 to provide financial assistance for new actions under the NAP 20-23 in order to respond to constantly changing issues and needs in the North.

The Opportunity Budget may be used to complete a financial package for a project receiving funding from other available sources or financial assistance programs.

2. AREA COVERED

The Opportunity Budget will support actions implemented in the North. In exceptional cases, actions outside the North may be supported if they benefit communities and enterprises in the North. Where applicable, the reason for locating the project at a particular place must be justified, along with the benefits and advantages for the North.

3. AMOUNT OF THE OPPORTUNITY BUDGET

A budget of $36 million is allocated for the 3 years of the NAP 20-23.

4. ELIGIBLE ORGANIZATION

- Non-profit incorporated organization
- Cooperative with activities similar to a non-profit organization
- Mutual association with activities similar to a non-profit organization
- Band council for an Aboriginal community or a group of communities from a nation recognized by the National Assembly of Québec
- Northern village corporation, northern village or Inuit landholding corporation
- Government department or body
- Municipality, regional county municipality\(^1\) or municipal body
- Enterprise legally incorporated in Québec or Canada, with a head office or establishment\(^2\) located north of the 49th parallel and north of the St. Lawrence Rive and Gulf of St. Lawrence.

5. NON-ELIGIBLE ORGANIZATION

- Enterprise in the retail sector
- Corporation quoted on the stock market

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\(^1\) In this document, “regional county municipality” includes the James Bay Regional Government, the Kativik Regional Government, the Cree Nation Government and the Eeyou Istchee James Bay Regional Government.

\(^2\) An establishment is a specific place where an enterprise carries on its activities in a permanent fashion, where the human resources needed for the operation and management of the enterprise have worked on a regular basis for at least one year (excluding site installation), and which is clearly identified under the enterprise’s name and accessible during normal business hours. In the case of a joint enterprise that has existed for less than one year, each constituent party must have met the criterion for an establishment for at least one year on the date on which the application is received.
6. GUIDELINES FOR THE GRANTING OF FINANCIAL ASSISTANCE

The SPN targets:

- a minimum allocation of 15% of the budget to each of the administrative regions in the North.
- a maximum contribution by the SPN of one-third of the value of each project, to generate 1:2 leverage.
- a maximum of 80% of government assistance for each project.
- a minimum contribution from the SPN of $100,000 for each project.
- coordination with other sources of funding (no overlapping or substitution).
- consistency with other government actions and plans.

7. PROJECT SELECTION CRITERIA

Projects submitted must be in keeping with the spirit of the NAP 20-23, and must therefore:

1) **Match at least one of the four key directions for NAP 20-23:**
   a) Optimized access to the northern territory.
   b) A robust, diversified economic fabric.
   c) An attractive, dynamic living environment.
   d) A northern environment to be preserved.

2) **Relate to at least one of the nine priority themes of the SPN Assembly of Partners:**
   a) Energy.
   b) Environment and biodiversity.
   c) Manpower and training.
   d) Promotion of the territory and its culture.
   e) Corporate social responsibility.
   f) Promising economic activity sectors.
   g) Local services and social infrastructure.
   h) Telecommunications.
   i) Transportation.

3) **Reflect the five guiding principles of NAP 20-23:**
   a) A response to the priorities indicated by stakeholders in the territory.
   b) Greater cooperation with local communities, the First Nations, and the Inuit.
   c) Seek the best “leverage effect” by pooling the partners’ efforts.
   d) Concrete, structuring initiatives.
   e) Synergy between the three dimensions of sustainable development.

4) **Meet the terms and conditions of the Opportunity Budget (see section 6).**

In addition to the NAP 20-23 criteria, the projects submitted will be assessed on the basis of the criteria for sustainable development (economic, social and environmental aspects) set out in the Appendix.

8. NON-ELIGIBLE EXPENDITURE

- Recurrent expenditure.
- Representation expenses, gifts and sponsorships.
- Expenditure incurred to meet legislative and regulatory requirements.
• Expenditure incurred before the project is submitted.
• Expenditure eligible for another form of reimbursement (for example, a tax refund).
• Expenditure connected with a project that is inconsistent with established government policy or laws and regulations.
• Deficit of an organization or enterprise, or reimbursement of accumulated debt.
• Working capital.
• Expenditure planned for after December 31, 2023.

9. SUBMISSION OF PROJECTS

When a project is submitted, the following documents must be provided to the Société du Plan Nord (SPN):
• the financial assistance application form, duly completed, signed and dated.
• a copy of the applicant’s last financial statements (except if a government department or body).
• a copy of the resolution by the board of directors authorizing the applicant to submit projects and sign agreements.
• letters of support from other project partners (if any).
• all other documents considered relevant to the assessment of the project.

Projects may be submitted to the SPN on an ongoing basis using the following E-mail address: opportunite@spn.gouv.qc.ca

10. TERMS AND CONDITIONS

A financial assistance agreement between the SPN and the promoter will be drawn up for each project selected. The agreement will state the terms and conditions for payment and the conditions on which the financial assistance is awarded, and the terms and conditions for the rendering of accounts.

11. CONFIDENTIALITY AND ACCESS TO INFORMATION

The SPN is subject to the Act respecting access to documents held by public bodies and the protection of personal information (CQLR, chapter A-2.1).

The financial assistance agreement between the SPN and the promoter will specify the obligations created by the Act.

All information provided may be used by the SPN for research, evaluation, study, inquiry, statistical or cost forecasting purposes.
APPENDIX

Sustainable development criteria

For each of the sustainable development criteria, possible initiatives are provided for information purposes and to help you target the initiatives specific to your project. Should you have questions concerning the criteria, please contact the Société du Plan Nord’s advisors.

<table>
<thead>
<tr>
<th>Economic section</th>
<th>Criterion 1 : Engenders economic spinoff for the benefit of northern communities</th>
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| Possible initiatives | • Is well-thought-out from the standpoint of the circular economy  
| | • Enables the region, the organization, or the business to access or develop new markets  
| | • Enhances collective wealth and promotes the establishment and maintenance of commercial enterprises and local services  
| | • Fosters local procurement and the development of sound business relationships |

| Criterion 2 : Enhances the quality or promotes the creation and maintenance of jobs |
|------------------|-----------------------------------------------------------------------------|
| Possible initiatives | • Promotes the creation and maintenance of full-time jobs  
| | • Enhances the organization’s or the enterprise’s current working conditions  
| | • Facilitates skills development among the individuals or groups involved in the project  
| | • Fosters workforce retention |

| Criterion 3 : Fosters local and regional economic diversification or the development of industries |
|------------------|-----------------------------------------------------------------------------|
| Possible initiatives | • Optimizes the innovation potential and the diversification of options and the implementation of new solutions  
| | • Allows for the development of an area of activity that is promising for the community  
| | • Demonstrates the project’s or the concept’s originality |

| Criterion 4 : Demonstrates economic efficiency through sufficient guarantees of profitability or sustainability |
|------------------|-----------------------------------------------------------------------------|
| Possible initiatives | • Demonstrates budget control and control of project-related risks  
| | • Considers the life cycle or the production of analyses of the life cycles of products and services  
| | • Demonstrates the project’s long-term profitability and viability and, where appropriate, the revenue that it will generate  
| | • Enhances the organization’s or the enterprise’s performance |

| Criterion 5 : Makes provision for the complementarity of the partners and funding, from a financial leverage perspective |
|------------------|-----------------------------------------------------------------------------|
| Possible initiatives | • Allows for the pooling of available financial resources and their optimal use  
| | • Limits the project’s repercussions on the competing market of local businesses by targeting the complementarity of activities, industries, circuits, or businesses |
### Social Section

**Criterion 6: Enhances the health and quality of life of northern communities and their development approach**

**Possible initiatives**
- Engenders a change in lifestyle habits and behaviour in the workplace
- Helps northern communities in their planning approaches
- Promotes the attraction of newcomers and the retention of residents in the northern territory

**Criterion 9: Receives support from local, regional, or governmental bodies and responds to a need that the community indicates**

**Possible initiatives**
- Reflects local planning documents, territorial orientations, or needs expressed and the community’s distinctive nature
- Enhances collaboration and the development of regional strengths
- Verifies the capacity of infrastructure and equipment by calibrating the project’s objectives according to local conditions and proposes adapted measures and ensures their feasibility
- Relies on community adherence to the project or enhances its social acceptability

**Criterion 8: Encourages fairness, inclusion, and social solidarity through public participation**

**Possible initiatives**
- Makes provision for the establishment of means to foster the reception and adapted cultural integration of newcomers
- Reduces the repercussions on certain vulnerable social groups, especially by offering broader access to certain services
- Promotes involvement and highlights personal and collective achievement
- Fosters participation by stakeholders by clearly determining when participation must and can occur
- Fosters social cohesion by bolstering the values of respect, solidarity, and openness, by organizing group activities while developing collective projects

**Criterion 9: Preserves or highlights cultural heritage**

**Possible initiatives**
- Promotes the diversity of the northern territory’s cultures and attractions
- Recognizes the repercussions on local cultures and, where appropriate, proposes mitigation measures
- Fosters the availability, accessibility, diversity, or development of cultural heritage such as properties, heritage sites, natural sites, traditions, and knowledge
- Encourages cultural expression and the use of traditional languages

**Criterion 10: Fosters research and experimentation and knowledge acquisition and sharing**

**Possible initiatives**
- Plans the transfer to other organizations of the expertise acquired through the projects
- Integrates monitoring and research activities with a view to the continuous improvement of projects
- Bolsters the acquisition by the stakeholders involved of knowledge and skills
- Invests in innovation
- Disseminates the outcomes in plain language
### Environment section

#### Criterion 11: Limits pollutants and waste and makes maximum use of resources

**Possible initiatives**
- Promotes pooling for the optimum use of resources
- Chooses the least polluting resources by analyzing their life cycle
- Mitigates or characterizes overall emissions of all sorts of pollutants (hazardous materials, residual materials, noise, luminosity)

#### Criterion 12: Considers the impacts on ecosystems and biodiversity and respects the environment’s support capacity

**Possible initiatives**
- Describes the repercussions on the land, agricultural, forest, maritime, and riparian environments that the project affects
- Integrates biodiversity protection practices
- Preserves the resources essential to maintaining life in the ecosystems
- Fosters biodiversity protection, especially rare, threatened, at-risk, and symbolic species
- (Study) Proposes a methodology adapted to northern environments

#### Criterion 13: Provides for a follow-up mechanism and the adoption of mitigation measures respecting repercussions on biodiversity and ecosystems

**Possible initiatives**
- Makes provision for the costs of rehabilitating the sites or the costs related to preventive measures
- Implements remedial or risk mitigation measures
- Elaborates a risk management plan
- Possesses the organizational reaction capacity to reduce risks or repair damage

#### Criterion 14: Establishes climate change adaptation and greenhouse gas (GHG) emission reduction measures

**Possible initiatives**
- Adopts the best short-, medium- and long-term climate change adaptation practices
- Quantifies and reduces GHG
- Compensates for GHG by increasing carbon sinks through the planting of trees, the purchase of emissions credits on the voluntary and regulatory carbon markets, and so on
- Adopts the energy sources, technologies, processes, and logistics chains that generate the least pollution and GHG

#### Criterion 15: Carries out activities according to the best ecoresponsible practices and encourages sustainable development initiatives

**Possible initiatives**
- Plans responsible consumption
- Applies the polluter pays principle
- Is designed from the standpoint of the circular economy
- Demonstrates a formal sustainable development approach
- Makes provision for the purchase of goods and services that enhance employees’ working conditions, energy consumption, and residual materials management