

2020/2021 **ANNUAL REPORT**

FIRST NATIONS MAJOR PROJECTS COALITION

BUILDING ON OUR SUCCESS

Neye'ut'en 'utsooleh

Sohkaytamowin Nihkanih

*Dahsee Nezu Ahtheclahewohuha
Teyeh mekeh eghaliedahzoh*



ARTIST: **Andy Everson**
of the K'ómoks First Nation

DEDICATION

On May 27th, 2021, we were awoken to the stark truth of Canada's Indian Residential School system when the Tkémlups te Secwepemc shared their findings confirming the remains of 215 children who were students of the Kamloops Indian Residential School were found. At the time of publication for this report, a devastatingly large number of unmarked graves have been found across Canada, with elders predicting more yet to be uncovered. The damage and hurt that has resulted from residential schools has been a multi-generation genocide.

We dedicate our work to all Indigenous peoples, families, communities, and Nations across Canada. We are inspired to do our work to make the lives of our children better than the often-painful memories of our grandparents. We encourage all those able to join us in donating to the Indian Residential School Survivors Society: <https://www.irsss.ca/donate>

ACKNOWLEDGMENTS

FNMPC acknowledges the funding support received from various government agencies to make the work of our organization possible. We would like to thank Natural Resources Canada, Impact Assessment Agency of Canada, Indigenous Services Canada, British Columbia Environmental Assessment Office, and the Ministry of Energy, Mines, and Low Carbon Innovation of the Province of British Columbia.

CONTRIBUTIONS

The FNMPC would like to acknowledge the work of Four Directions Management Services as represented by Dan George and Kelly Mortimer for their assistance with the creation of this annual report. We also extend appreciation to Topshelf Creative for their graphic design and layout contributions to this report.

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FNMP CHAIR
Chief Sharleen Gale

While we celebrate the achievements we have made, it is also important that we remain mindful there is a lot of work left to be done to get to where we want to be as Indigenous people.

MESSAGE FROM THE CHAIR

Dear Members of the Coalition,

FNMP has experienced another year of growth as we work to advance our members forward in achieving the economic and social vision for our communities. While we celebrate the achievements we have made, it is also important that we remain mindful there is a lot of work left to be done to get to where we want to be as Indigenous people. This year, we have experienced painful reminders of our past history. Our people have struggled during the pandemic, and the wildfires in the west have taken an additional toll on many of our members.

But despite these challenges, we remain resilient. As Chair of FNMP I can see the tangible results our work and perseverance are having on our members priorities. We are close to realizing equity benefits on two of our major projects, our policy work is advancing serious discussions about the creation of a national strategy for affordable access to capital for Indigenous communities, and we are demonstrating our ability to convene the interests of our members with the private sector and government for serious discussions on commonly held interests.

As an organization, our board of directors is focused on ensuring our long-term sustainability. We have embarked on a 5-year goal setting strategic plan, and we are expanding revenue sources outside of government funding. These efforts are designed to ensure FNMP will be around to service the needs of our members into the future. The timing of such initiatives could not be more important as the project development climate in our country demands that Indigenous people play a role in projects right from the start. Our organization is uniquely positioned to ensure that First Nations have access to independent advice and guidance upon which informed decisions can be made. As Canada looks to implement the *United Nations Declaration on the Rights of Indigenous Peoples*, FNMP's work stands as an example of how First Nation led institutional supports like FNMP play a key role in bringing these aspirational principles to life.

Mussi cho.

Chief Sharleen Gale
Chair, First Nations Major Projects Coalition



Niilo Edwards

MESSAGE FROM THE EXECUTIVE DIRECTOR

I am beyond proud of the work that the FNMP has accomplished this past year. Under the guidance of our Board's leadership and the vision of our members, the technical team of the Coalition continues to set new standards of excellence for us as an organization.

The global pandemic has stopped us in tracks and caused us to pause so that we may hold onto what truly matters – the health and wellbeing of our communities and loved ones. The effects of climate change are being felt throughout the country notably with the devastating and out of control impacts of heat waves, wildfires, and droughts.

Now more than ever we need to fight for the sustainable balance of economic growth and environmental stewardship. The planet needs it and no one is more capable to lead us off this tipping point than Indigenous peoples.

The work that the Coalition's undertakes on behalf of our 70+ members is changing the status quo and forcing new standards of doing things to become policy and industry practice. Together we are stronger and capable of achieving a future for our future generations that we will all be proud of. We look forward to coming together once again in 2022 and continuing to push the dial.



Angel Ransom

MESSAGE FROM THE DIRECTOR OF OPERATIONS

It is known that Indigenous Nations want to alleviate the poverty and social impacts in their communities through sustainable, economic development opportunities.

It is recognized reconciliation plays an important role in moving the country forward. Bill C-15, the United Nations Declaration on the Rights of Indigenous Peoples Act received Royal Assent on June 21, 2021 which further affirms this.

We need to take broad and balanced view while having on the ground conversations about what practical applications of larger policies (i.e. UNDRIP, Climate Change, Infrastructure Investments) are being implemented through partnerships and in business.

The Coalition is proud to be a leader in supporting our members make this change happen. There is still a lot of work to be done but we are slowly seeing the shift of mindsets in a positive direction.

ABOUT THE **FIRST NATIONS MAJOR PROJECTS COALITION**

Initiated as a concept by First Nations leadership in 2015, the First Nations Major Projects Coalition (FNMPC) was established as a not-for-profit society in January 2017. FNMPC members mandated the organization to be non-political and business focused. FNMPC's primary function is to provide capacity tools and support to its members in order to assist them in making informed business decisions about major projects planned or occurring within traditional territories. FNMPC also conducts research on public policy concerning First Nations economic participation generally.

STRONGER TOGETHER: Working collaboratively, cooperatively and cohesively

FNMPC'S CONSTITUTION STATES:

The purposes of the Society are to work collaboratively, cooperatively and cohesively towards the enhancement of the economic well-being of its members, understanding that a strong economy is reliant upon a healthy environment supported by vibrant cultures, languages and expressions of traditional laws, and in particular to support our members' abilities to:

- » Safeguard our air, land, water and medicine sources from the impacts of resource development by asserting its members' influence and traditional laws on environmental, regulatory and negotiation processes;
- » Ensure members receive a fair share of benefits from projects undertaken in the traditional territories of its members; and
- » Explore ownership opportunities of projects proposed in the traditional territories of its members.

FNMPC OPERATING PRINCIPLES

- » To provide independent, trusted, and unbiased advice and support to its members
- » Remain project and industry agnostic. FNMPC will not advocate for or against a particular industry or project
- » FNMPC member First Nations retain decision making authority on all matters. FNMPC provides support and advice only
- » FNMPC will not take a financial interest in the outcome of projects for which it becomes involved in at the request of its member





FNMP

OUR MEMBERS

Our members have given the FNMP mandate to be a non-political and business focused organization. With over 70 First Nations as members, our membership continues to grow.

British Columbia

- Burns Lake Indian Band
- Chee Xial Taaioux (*Hereditary Chief Roy Jones Jr.*)
- Cheslatta Carrier Nation
- Fort Nelson First Nation
- Gitanyow
- Gitsegukla First Nation
- Gitsegukla Chiefs (2 Chiefs)
- Gitxaala
- Gitxsan Govt Commission
- House of Delgamuukw
- Kaska Dene Council
- Kispiox Band Council
- Kitselas First Nation
- Kitwanga Band Council
- Kwadacha
- Lake Babine Nation
- Lax Kw'alaams First Nation
- Lheidli T'enneh First Nation
- Nadleh Whut'en
- Nak'azdli Whuf'en
- Nazko First Nation
- Nee Tah Buhn
- Nooaitch Indian Band
- Okanagan Indian Band
- Saik'uz First Nation
- Simpcw First Nation
- Skin Tyee
- Stella'en First Nation
- Suskwa (8 Chiefs)
- Takla Lake First Nation
- Tk'emlúps First Nation
- Tsideldel First Nation
- Wet'suwet'en Matrilineal Coalition (5 Chiefs)
- Xat'sull Development Corporation
- Yekooche First Nation
- Lhtako Dene
- Lil'wat Nation
- Wet'suwet'en First Nation
- Witset
- Gitwangak (aka Kitwanga)

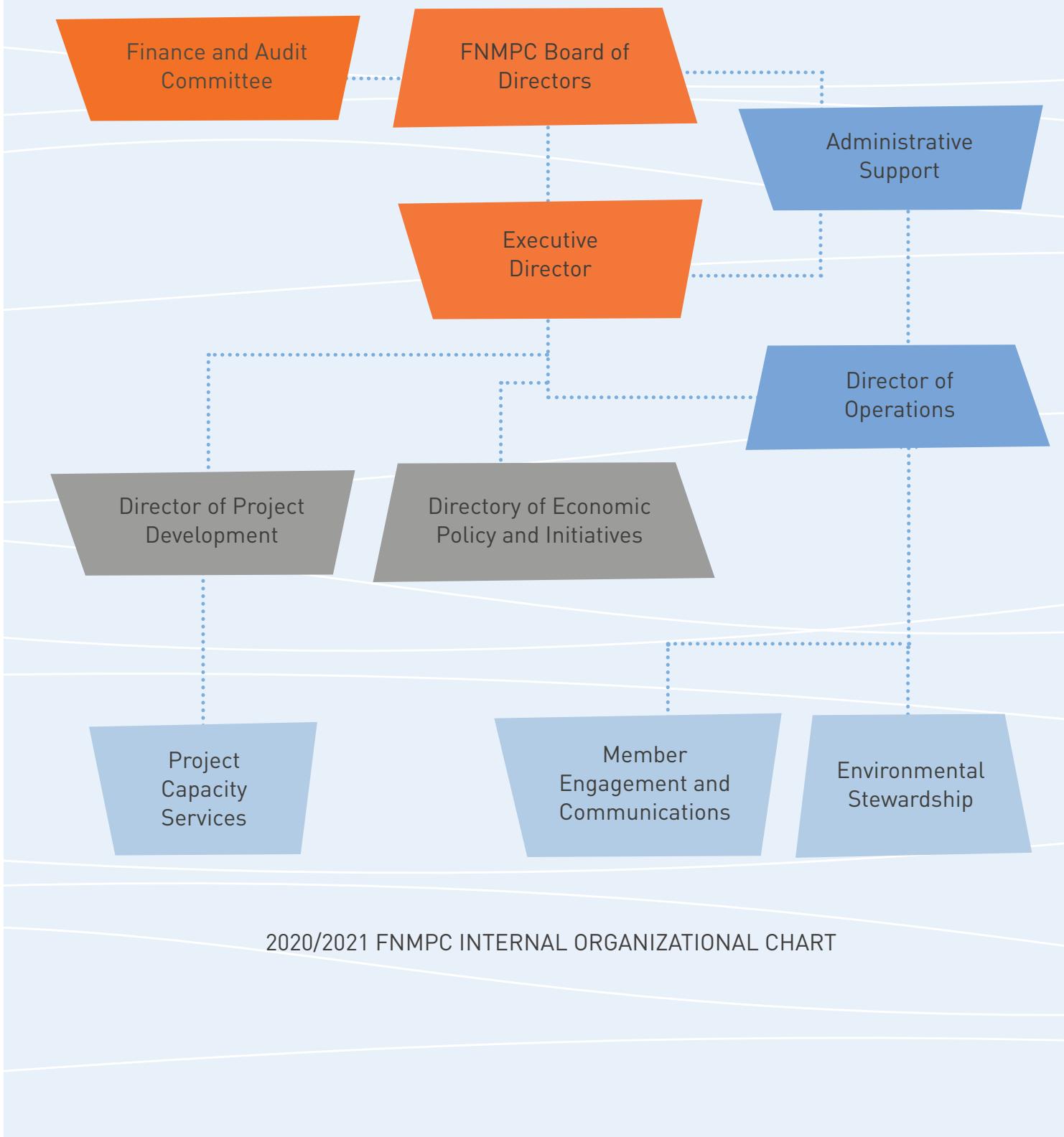
Northwest Territories

- Acho Dene Koe



FNMPC

ORGANIZATIONAL CHART



FNMPC

BOARD OF DIRECTORS

The FNMPC Board of Directors are appointed to serve by FNMPC members. Terms are staggered on 4, 3, and 2 year intervals. The terms of the appointment are outlined in the Bylaws. The Board of Directors are responsible for the governance of the FNMPC, including the approval of annual work plans and budgets.



CHIEF SHARLEEN GALE
Chair of the Board of Directors
(Fort Nelson First Nation)

CHIEF CORRINA LEWEEN
Vice Chair of the Board of Directors
(Cheslatta Carrier Nation)

**SIMOO'GIT TSA BUX
(WILLIE BLACKWATER)**
Member of the Board of Directors
Chair of the Finance and Audit Committee
(Gitxsan Nation)



CHIEF PRISCILLA MUELLER
Member of the Board of Directors
(Saik'uz First Nation)



COUNCILLOR SAVANA WALKINGBEAR
Member of the Board of Directors
(Thunderchild First Nation)



MAXWELL STEVENS
Member of the Board of Directors
(Upper Skeena Watershed Chiefs -
Gitxsan Nation)

FNMPC MANAGEMENT TEAM

FNMPC's Management Team is responsible for the oversight and execution of the organization's strategy, objectives, and services to members.



NIILO EDWARDS Executive Director

Niilo is responsible for implementing the work plans and overall strategy of the FNMPC, and advice to the Board of Directors. He provides direction to the technical team and is responsible for leading the engagements FNMPC has with its members on major projects as well as acting as the primary contact for stakeholders and other external interests looking to engage with FNMPC.



ANGEL RANSOM Director of Operations and Impact Assessment Lead

(Member of Nak'azdli Whut'en)

Angel leads FNMPC's member-driven approach to the organization's environmental stewardship and impact assessment technical work. In this role, she provides tools and guidance to FNMPC members concerning provincial and federal environmental assessments of major projects. She also provides support to the Executive Director concerning the administrative and day-to-day functions of FNMPC.



BARRY VICKERS Director of Project Development

(Member of Saik'uz First Nation)

Barry leads FNMPC's project capacity services. He focuses on providing direct support to FNMPC members on large scale natural resource and infrastructure projects. Barry works with FNMPC members to help design an approach to project development that protects community interests while maximizing value for communities.



MARK PODLASLY Director of Economic Policy and Initiatives

(Member of Nlaka'pamux Nation)

Mark leads FNMPC's policy and research initiatives. In addition, he plays a dual role in supporting the Executive Director with engagements with external stakeholders and other interests, and he supports the Director of Project Development with project capacity support to FNMPC members.

TECHNICAL SUPPORT TEAM MEMBERS

- » JP Gladu, *Strategic Advisor*
- » Theresa Tait-Day, *Community Engagement*
- » David Luggi, *Projects Advisor*
- » Janelle Nahane, *Executive Assistant*
- » Kelly Mortimer, *Communications (Four Directions Management Services)*
- » Dan George, *Facilitation (Four Directions Management Services)*

- » Scott Smith (*Gowling WLG*)
- » Jason Calla and Dillon Johnson (*Temixw Planning*)
- » Stephen Lidington (*Colliers Project Leaders*)
- » Alistair MacDonald and Trefor Smith (*Firelight Group*)
- » Allie Meeres (*Sedgwick Strategies*)

STRONGER TOGETHER: Working collaboratively, cooperatively and cohesively

2021 ACTIVITIES

ORGANIZATIONAL PRIORITIES

FNMPC's organizational priorities have been established by the board of directors in consultation with membership. These priorities guide the board and staff in focusing on areas of need expressed by our members.

- » FNMPC members have said achieving the long-term viability and stability of the organization is a priority so it can serve the need of a growing membership into the future.
- » The active involvement of our members in FNMPC's service delivery is key to building capacity and ensuring there is a knowledge transfer from the organization to the communities being served.
- » FNMPC members expect the organization to continue to advocate on their behalf concerning key issues of public policy including affordable access to capital, influence within the regulatory decision-making process around major projects, and continued investments by government in First Nation capacity to make informed business decisions.
- » Sharing of best-practices and lessons learned in project negotiation and support with other First Nations across Canada.
- » Support with major project related activities such as contracting and procurement and jobs and skills training.
- » Expanded environmental and impact assessment influence, including support with Rights-based approaches to assessing project impacts to the land-base.
- » Better land-use planning, data collection, and other strategic approaches designed to enhance First Nations abilities to improve early-stage influence over major project planning.



ADVANCING MAJOR PROJECTS

A core objective of FNMPC is to support its members in the advancement of their project priorities. This section captures a summary of the work FNMPC has done over the past year to help meet these objectives.

SERVICE STATISTICS



6
MAJOR
PROJECTS

FNMPC is now active on six major projects located in three different areas of Canada



**EQUITY OWNERSHIP
FOR FIRST NATIONS**

All projects have an equity ownership component for First Nation investment



23
FNMPC MEMBER
FIRST NATIONS

Twenty-three FNMPC member First Nations are receiving direct-project level capacity supports from FNMPC



OVER
\$17
BILLION

FNMPC's project portfolio now exceeds a combined total capital cost of over \$17 billion



**FNMPC MEMBERS
BENEFIT**
FROM MAJOR PROJECTS

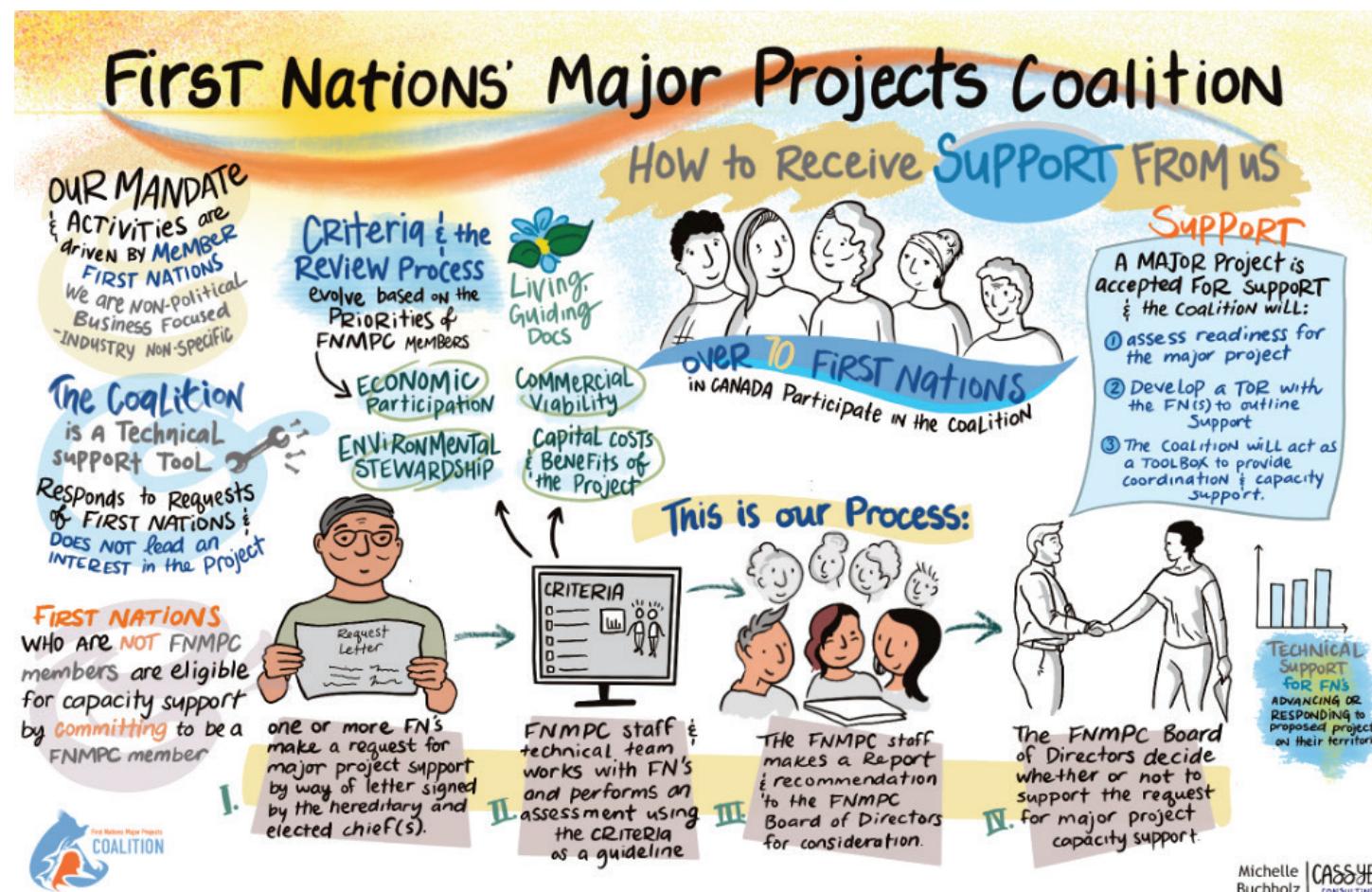
All members of FNMPC have the opportunity to benefit from the best practices and lessons learned from these projects

HOW OUR PROJECT CAPACITY SUPPORT SERVICES WORK

In 2017, FNMPC members undertook a process to set guidance on the use of FNMPC resources and to establish a process under which FNMPC members could request project capacity support. This document was originally called the *Project Identification and Capacity Support Document*. This guidance was further revised in 2021 to meet the needs of an expanding FNMPC membership. The current process is guided by the FNMPC member-adopted *Guidance Document on Project Capacity and Support*.

Under this document, the FNMPC board of directors assess project capacity requests received from our members against a number of different criteria such as overall capital cost of the project, potential for First Nation meaningful financial benefits (equity), and the ability of First Nations to influence the project planning and environmental processes.

The chart below illustrates this process:



COASTAL GAS LINK EQUITY TRANSACTION

The Coastal Gas Link equity transaction is currently FNMPC's largest and most complex file. Since 2019, FNMPC has been providing technical and administrative support to the CGL First Nations Limited Partnership (CGLFNL). CGLFNL was formed by First Nations with the assistance of FNMPC.

FNMPC has provided advice and options to CGLFNL First Nations concerning corporate governance, benefit sharing, financing strategy, and negotiation support so they can be successful in acquiring their portion of the 10% equity interest on offer from the project proponent, TC Energy.

Over the past year, FNMPC has worked with CGLFNL First Nations to ensure the investment opportunity could be de-risked as much as possible with a focus on terms that maximize First Nation benefit from the equity investment. This engagement has demonstrated FNMPC's ability to support its members on navigating complex commercial transactions. The lessons learned from the CGL equity transaction are being adapted to FNMPC's other projects in an effort to advance their standing.

The CGL equity transaction represents a significant opportunity for the impacted communities to meaningfully benefit and be included as equity partners in a major project crossing their territories. What has been achieved by FNMPC and CGLFNL in the CGL equity transaction will be a benchmark for others that follow.

FNMPC's assistance with the Coastal Gas Link Equity Transaction has been critical in helping to put our communities in the driver's seat of the deal and enabling us to achieve a deal that limits risk and maximizes economic benefits for our communities.

- Councillor Johnny Ketlo, Nadleh Whut'en





NE TOO HYDROPOWER PROJECT

The Ne Too Hydropower Project is a First Nation-led proposal to construct a hydroelectric facility at the Kenney Dam, located southwest of Vanderhoof, BC. Four First Nations have come together to explore this opportunity. The First Nations have requested FNMPC support to establish the corporate governance and benefit sharing frameworks concerning the project.

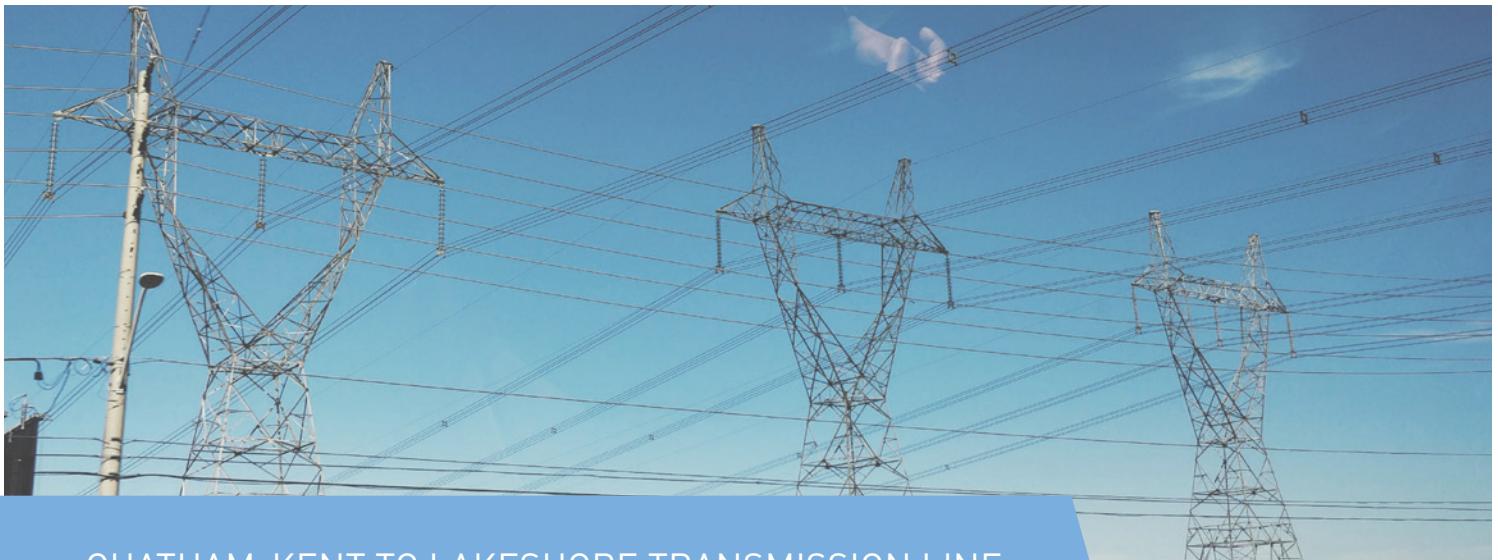
FNMPC's environmental stewardship team is working with the Nations, using FNMPC's Major Projects Assessment Standards to determine the impacts to the land resulting from the proposed project. FNMPC is also playing a role to convene other private sector and government interests in the project.



BLACKWATER TRANSMISSION LINE

Blackwater transmission is one of FNMPC's newer project capacity requests. Three Nations have come together to explore the opportunity to own a portion of the transmission line required to service the Blackwater Mine.

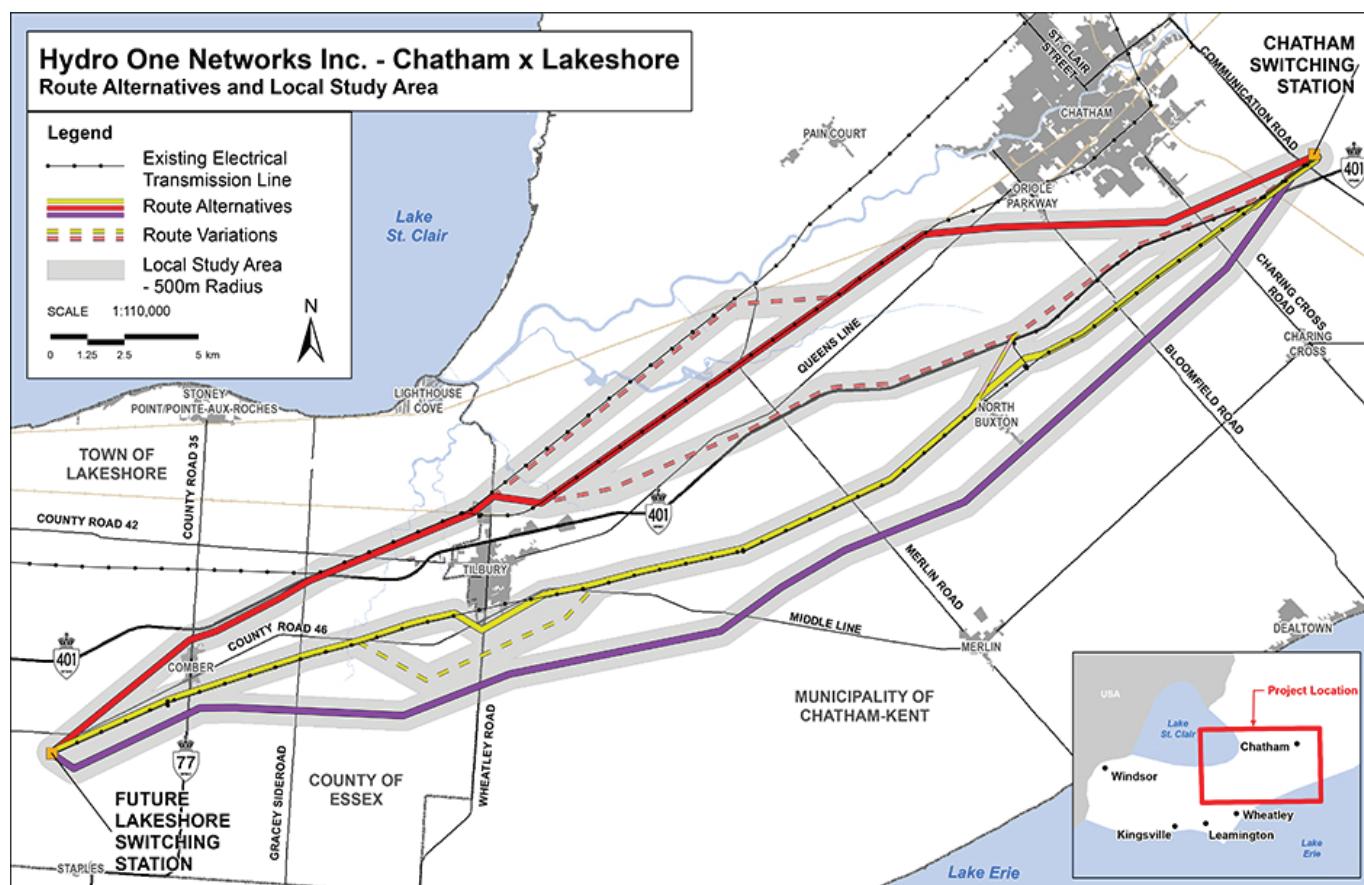
FNMPC is serving the needs of its members impacted by this project by providing access to technical services including engineering, commercial and legal considerations. FNMPC is playing an active role convening its members with government concerning the project.



CHATHAM-KENT TO LAKESHORE TRANSMISSION LINE

FNMPC is assisting our member in Southwestern Ontario with the opportunity to negotiate an equity position in the Chatham-Kent to Lakeshore Transmission Line. FNMPC has provided guidance on the negotiation of capacity funding agreements related to the project. FNMPC has also provided guidance on the regulatory review of the EA, ensuring that the principles of the Major Projects Assessment Standard are being adhered to in the collection of culturally sensitive data concerning impacts to the land and Treaty Rights.

FNMPC's economic team is assisting our member with the commencement of equity negotiations with the proponent as well as advising on the financing options available to maximize returns to the community.



TU DEH-KAH GEOTHERMAL

FNMPC has been supporting Deh Tai Limited Partnership, the economic arm of Fort Nelson First Nation with the Tu Deh-Kah Geothermal since late 2020. Tu Deh-Kah Geothermal is the only 100% Indigenous-owned geothermal energy project in Canada. FNMPC played a role in assisting our member in securing significant early-stage project development funding from Natural Resources Canada.

As the project advances further toward bankability, FNMPC is advising on the commercial financing aspects and has played a role in convening the provincial government with our member in determining some of the regulatory phases of the project, including the market for the electricity.

Deh Tai Limited Partnership is extremely pleased to have the support of FNMPC to help move the Tu Deh-Kah Geothermal forward. FNMPC's services have played and will continue to play a critical role in supporting our ability to secure grant funding for this project. We look forward to their continued support and guidance on bringing this 100% Indigenous owned clean energy project to market.

– Jim Hodgson, General Manager, Deh Tai Limited Partnership

FNMP meet with Miawpukek Chief and Council in Conne River, NL



MIAWPUKEK NEWFOUNDLAND LNG

Miawpukek is FNMP's newest member and is the first member from the Atlantic provinces. Miawpukek has established an equity interest in Newfoundland LNG. The project could realize 8 TCF of natural gas that is currently stranded in the Jeanne d'Arc Basin. The project components would include a pipeline and a liquefaction terminal located at Grassy Point, Newfoundland.

FNMP is assisting Miawpukek with identifying the early stage development funding the Nation requires to undertake due-diligence on the project. FNMP will work with Miawpukek to raise the overall profile of the project.



FNMP OTHER SERVICES

AS FNMP membership grows, there is a need to take on additional service delivery. The projects below reflect how FNMP's experience and expertise is being leveraged by both First Nations and government in search of alternative delivery models that are First Nation led.

LAND MANAGEMENT PILOT PROJECT

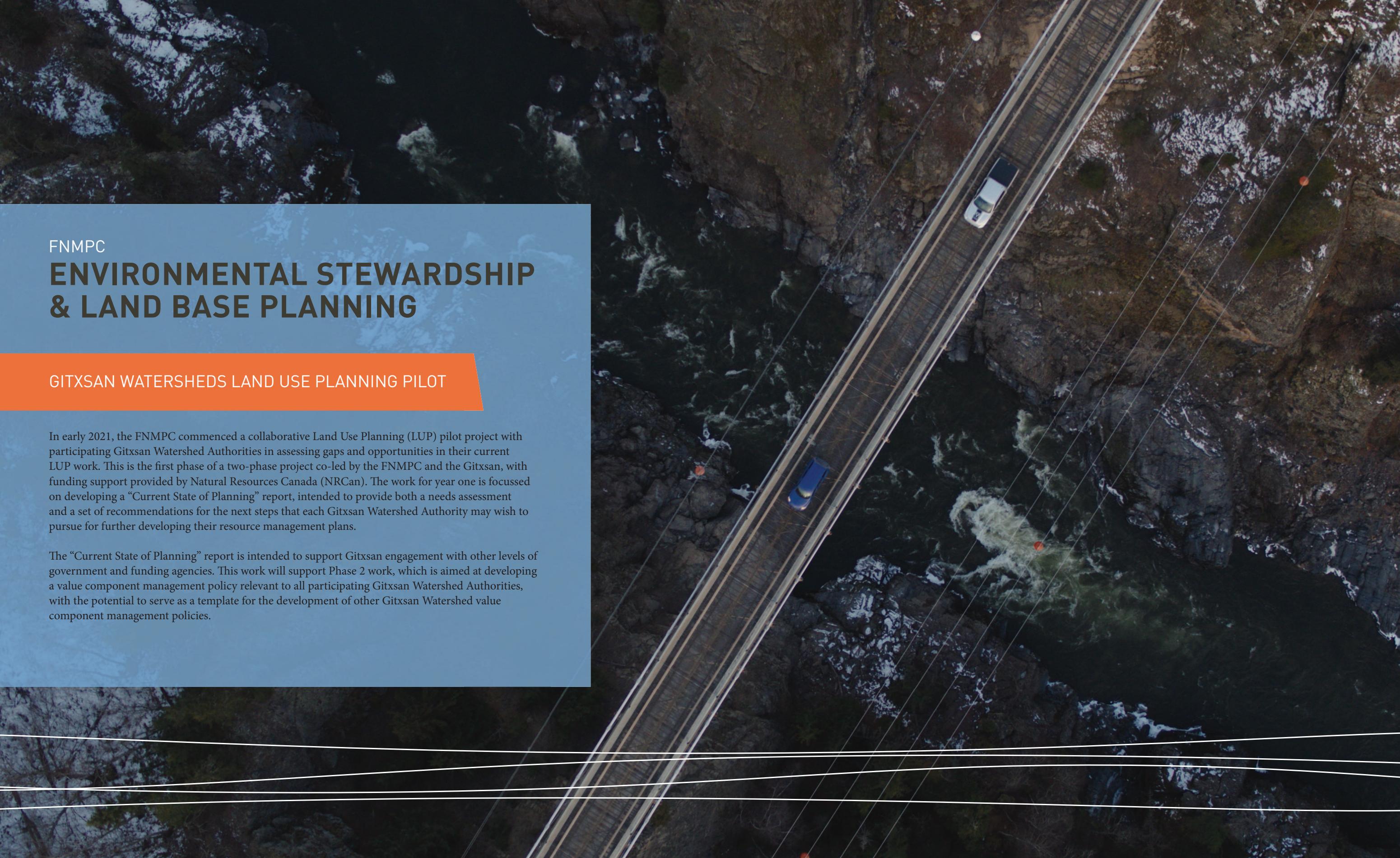
Early in 2021, FNMP and the BC Region of Indigenous Services Canada (ISC) collaborated on a pilot that has FNMP working with its members to augment land management services that are normally provided by ISC.

This pilot is a demonstration of FNMP's ability to take on service delivery that is normally provided by government and provide a similar level of service through an Indigenous-led approach. FNMP is working with its members at Cheslatta Carrier Nation and Xat'sull First Nation to provide support on critical land management services such as Additions to Reserve and lease assignments.

TRANS MOUNTAIN INDIGENOUS FORUM COORDINATOR

In March 2021, FNMP was selected by impacted Indigenous communities along the Trans Mountain Project route to become the Forum Coordinator of the Indigenous Forum during the Step 2 process by the Department of Finance Canada concerning economic participation by Indigenous Groups in the Trans Mountain Project.

From April to August 2021, FNMP jointly with Four Directions Management Services coordinated the Indigenous Forum. The purpose of the Forum provided a confidential space for Indigenous Groups to come together and discuss issues and strategy related to their engagement with Department of Finance Canada officials on economic participation in the Trans Mountain Project.



FNMPC

ENVIRONMENTAL STEWARDSHIP & LAND BASE PLANNING

GITXSAN WATERSHEDS LAND USE PLANNING PILOT

In early 2021, the FNMPC commenced a collaborative Land Use Planning (LUP) pilot project with participating Gitxsan Watershed Authorities in assessing gaps and opportunities in their current LUP work. This is the first phase of a two-phase project co-led by the FNMPC and the Gitxsan, with funding support provided by Natural Resources Canada (NRCan). The work for year one is focussed on developing a “Current State of Planning” report, intended to provide both a needs assessment and a set of recommendations for the next steps that each Gitxsan Watershed Authority may wish to pursue for further developing their resource management plans.

The “Current State of Planning” report is intended to support Gitxsan engagement with other levels of government and funding agencies. This work will support Phase 2 work, which is aimed at developing a value component management policy relevant to all participating Gitxsan Watershed Authorities, with the potential to serve as a template for the development of other Gitxsan Watershed value component management policies.

NATIONAL IMPACT ASSESSMENT “TRAIN-THE-TRAINER” PROGRAM

2020-21 was the first year of a three-year Indigenous Capacity Support Program initiative led by the FNMPC, with funds provided by the Impact Assessment Agency of Canada (IAAC). In Year 1, FNMPC developed the ‘Trainers Handbook for Effective Indigenous Involvement in Federal Impact Assessment’ (Handbook) and associated workshop materials to support Indigenous trainers in the delivery of tools and knowledge to communities seeking to take advantage of new opportunities within the new federal IA process.

The Handbook builds upon the FNMPC’s *Major Project Assessment and Standard* (2019) and *Guide to Effective Indigenous Involvement in Federal IA* (2020), and is intended to provide trainers with the building blocks to design and deliver workshops to leadership and staff from Indigenous nations, organizations and communities (Indigenous groups). The Handbook will be used in Years 2 (2021-22) and 3 (2022-23) for the delivery of pilot training sessions in different regions of Canada.

NATIONAL CONFERENCE ON BEST PRACTICES IN FEDERAL IMPACT ASSESSMENTS

February 9-11, 2021, the FNMPC co-hosted a 3-day virtual conference with the IAAC on best practices in Federal Impact Assessments. Fifty- three (53) registrants representing Indigenous organizations and communities participated in the sessions that were also attended by twenty-five (25) federal officials representing several federal departments. The conference included presentations from leading Indigenous IA practitioners across Canada, as well as discussion groups involving participating workshop attendees. The conference focussed on the following topics:

1. Knowledge Building and Impact Assessment Training
2. Indigenous Leadership in Impact Assessment
3. Impact Assessment Tools and Resources

The virtual conference proved to be a notable success in achieving bringing Indigenous communities together, in the middle of the COVID-19 pandemic, to raise awareness of capacity support work currently being led by Indigenous groups across Canada and to share ideas and tools related to enhancing Indigenous involvement in IA, while providing a space for networking and relationship-building. The conference was funded by IAAC as part of its Indigenous Capacity Support Program.

EFFECTIVE COLLABORATION IN FEDERAL IMPACT ASSESSMENTS RESEARCH PROJECT

In Q1 and Q2 of 2020-21, the FNMPC undertook research into the building-blocks for effective collaboration in federal impact assessments. Building on Phase 1 work undertaken during the spring of 2020, the ESTT interviewed IA practitioners working for Indigenous communities, as well as with IAAC staff, to identify the key factors required for effective collaboration between Nations and government in IA.

The result was a report (“Approaches and Arrangements for Effective Indigenous Collaboration in Federal Impact Assessment”) that identified eight (8) essential building blocks of collaboration and provided recommendations on steps to be taken by the federal government and Indigenous nations to ensure that these conditions can be put into place.

This policy development work is intended to provide IAAC with Indigenous input into new policy and regulation currently under development in the area of collaboration in IA. Both Phase 1 and Phase 2 projects were undertaken with policy research funding support from IAAC.

FEDERAL REGULATORY GUIDANCE AND INPUT

Guide to Effective Indigenous Involvement in Federal Impact Assessment

The guide is written for technical staff and leadership of Indigenous Nations who are looking for ways to make the most of the new impact assessment (IA) process and gain a greater degree of control when major projects are proposed within Nations’ traditional territories. Ultimately, the guide seeks to empower Indigenous Nations to take advantage of new opportunities that exist within the new IA process, supporting effective involvement and advancing the rights and interests of Indigenous Nations within the process. There is also a complementary 8-part video series available on the FNMPC website.

Research Report: ‘Approaches and Arrangements for Effective Indigenous Collaboration in Federal Impact Assessment’

This report provides the findings of research conducted during the winter and spring of 2021 related to factors supporting effective Indigenous collaboration in the federal Impact Assessment (IA) process. The initial scope of Phase 2 research was to identify Indigenous preferences for governance structures that could enhance and support Indigenous collaboration in federal IA.

BC ENVIRONMENTAL ASSESSMENT PRIMER FOR INDIGENOUS GROUPS

The FNMPC is developing a primer tool about the new 2018 BC Environmental Assessment (EA) Act and process. The primer will be designed for technical staff and leadership of Indigenous Nations within BC to use. The primer will tell people: 1) what’s new with the law, regulations, policy and guidance; it will outline the role of Indigenous groups in the EA process; it will tell people what they can do to maximize their effectiveness in relation to that topic; and, it will provide additional tools and resources.





FNMPC PUBLIC POLICY AND RESEARCH

Part of FNMPC's mandate includes research and advocacy on key issues of public policy impacting Indigenous participation in major projects. The summaries below capture the work of FNMPC during 2021. Copies of all reports listed are available on FNMPC's website at [FNMPC.ca](https://fnmpc.ca)

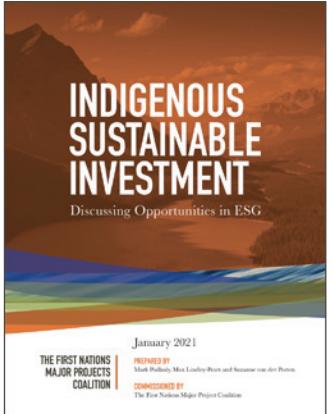
FIRST NATIONS CLIMATE INITIATIVE

In December 2020, FNMPC and the First Nations Climate Initiative (FNCI) signed a Memorandum of Understanding agreeing to work together to advance Indigenous-led strategies concerning net-zero project development, nature-based solutions, and other climate change mitigants. Under the MOU, FNMPC and FNCI have agreed to focus their joint efforts on attracting affordable capital to Indigenous led projects and designing a path forward on Indigenous led environmental, regulatory, and impact assessments of projects in a manner that creates certainty for all parties, First Nations, private sector, and governments. This work is underway in earnest and will be rolled out during the fall and winter of 2021-2022.

Indigenous Sustainable Investment

As a primer document in the lead up to FNMPC's 4th annual Industry Engagement Event, FNMPC released a paper titled *Indigenous Sustainable Investment: Discussing Opportunities in ESG*. This paper explained what ESG is, how it influences capital markets, and why FNMPC members need to be concerned about it.

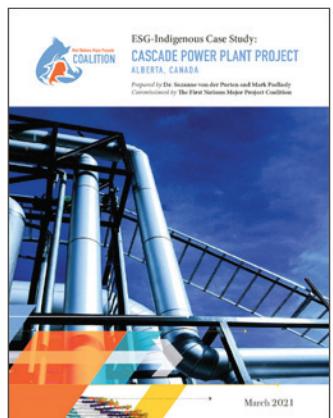
FNMPC's research discovered that ESG standards were developed without any Indigenous input, despite being used by institutional investors and project proponents as a guide to a more sustainable way of investing capital into projects. FNMPC's research concluded that a made-in-Canada approach to involving Indigenous interests in setting ESG standards is necessary if we are to truly achieve sustainable investment in Canada.



Indigenous ESG Case Study

FNMPC released an additional primer document in advance of the 4th Annual Industry Engagement Event. FNMPC studied the Cascade Power Project in Alberta. Cascade Power is an example of ESG in action as the deal structure included an equity component for six First Nations who became investors. The equity in the project was backstopped by the Alberta government through the Alberta Indigenous Opportunities Corporation.

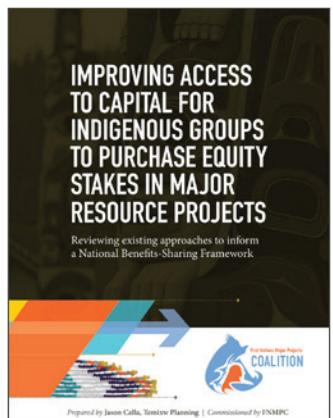
The Cascade Project highlighted an effective use of government loan guarantees to facilitate access to affordable capital for Indigenous participation in major projects; a policy area that FNMPC has long advocated for at the national level.



Access to Capital for Indigenous Investment

In March 2020, FNMPC released a research paper titled *Improving Access to Capital for Indigenous Groups to Purchase Equity Stakes in Major Projects*. This paper conducted an analysis of the existing capital access programs such as the Ontario Aboriginal Loan Guarantee Program, the Alberta Indigenous Opportunities Corporation, the Canada Infrastructure Bank, and the First Nations Finance Authority.

This research paper also looked at the need for early-stage funding support for Indigenous communities to undertake a proper level of project due-diligence to meet the threshold of informed decision making established by *UNDRIP*. The report observed that the Government of Canada has the opportunity to explore multiple avenues of consideration when it comes to establishing early stage and later stage supports for Indigenous participation in major projects. Such support could be achieved by implementing a National Benefits Sharing Framework and by leveraging existing financial supports through the Canada Infrastructure Bank.



Roadmap for Investing in Canada

After concluding a very successful 4th Annual Industry Engagement Event held virtually in March 2021, FNMPC released a wrap-up report and Top-10 list titled *A Roadmap for Investing in Canada*.

The report summarized key discussions and takeaways from the conference. A common theme emerged from the report, further validating FNMPC's central work supporting its members on projects and advocating for changes in public policy to improve indigenous participation in projects. Much of the discussion captured in the wrap-up report concluded that sustainable investment can only be properly achieved in Canada when Indigenous communities have the proper supports in place to enable informed decisions to be made and equity partnership to occur.



FNMPC

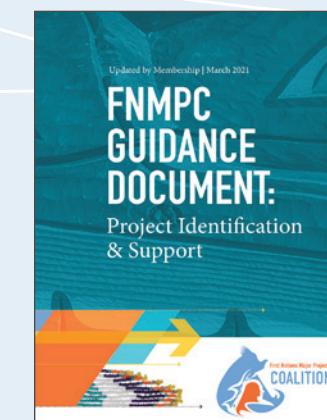
ORGANIZATIONAL GOVERNANCE

REVISED BYLAWS

During the lead up to the March 2021 Annual General Meeting, FNMPC conducted engagement with its members on a process to revise the Bylaws. Input was sought from FNMPC members and the proposed revisions were adopted during the March meeting.

The changes impact how quorum is arrived at and ensure that future elections of directors to the board are reflective of FNMPC's growing national membership.

REVISED PROJECT IDENTIFICATION AND CAPACITY SUPPORT GUIDANCE



FNMPC's guidance documentation concerning project capacity support was first adopted by members in 2017. Since that time, FNMPC has experienced growth in membership and project requests. A process was started in September 2020 to revise the project capacity support guidance material. During that time, feedback was sought from FNMPC members on how the guidance criteria should be changed to meet FNMPC needs now and into the future.

Revised guidance criteria received approval by membership at the March 2021 Annual General Meeting. The new document is now in-force and available on the website.

INDUSTRY ENGAGEMENT

Convening First Nations, industry, and government is a core part of FNMPC's mandate. FNMPC's achieves this in many ways, including through the hosting of an annual Industry Engagement Event. These events are important as they enable our members to network and build relationships with government and the private sector outside of a project specific environment.



4TH ANNUAL INDUSTRY ENGAGEMENT EVENT

In March 2021, FNMPC hosted over 1,500 attendees at a two-day online conference focused on the importance of Indigenous involvement in Environmental, Social and Governance (ESG) sustainability standards. Worldwide, nearly \$40 trillion of institutional investors follow ESG standards that, in theory, reward investors who place their money in projects that improve the environmental and social conditions of impacted communities. However, in nearly every case, the world's leading ESG standards do not include nor acknowledge Indigenous rights, people, or knowledge in their investment criteria.

At the conference, keynote speakers such as Mark Carney, Vice Chairman and Head of Impact Investing at Brookfield Asset Management, pointed out that going forward, institutional investors will be directing massive amounts of capital to address the global challenge of the climate crisis. The application of private capital to shift economies to a carbon net zero future presents an opportunity to not only save the planet, but to reward investors who are willing to invest in a better world.

However, net zero projects across North America such as large solar power installations, biofuel farms, and essential raw material mines required for a low carbon future will be built in Indigenous territories. As such, Indigenous peoples' direct and substantive involvement will be central to the environmental, social, and economic success of these net zero projects.



In April 2022, FNMPC will host leading business, government, and Indigenous thought leaders from across North America to highlight how Indigenous-led partnerships in energy, minerals and materials, finance, and policy/regulations can lead all of us to sustainable net zero future.

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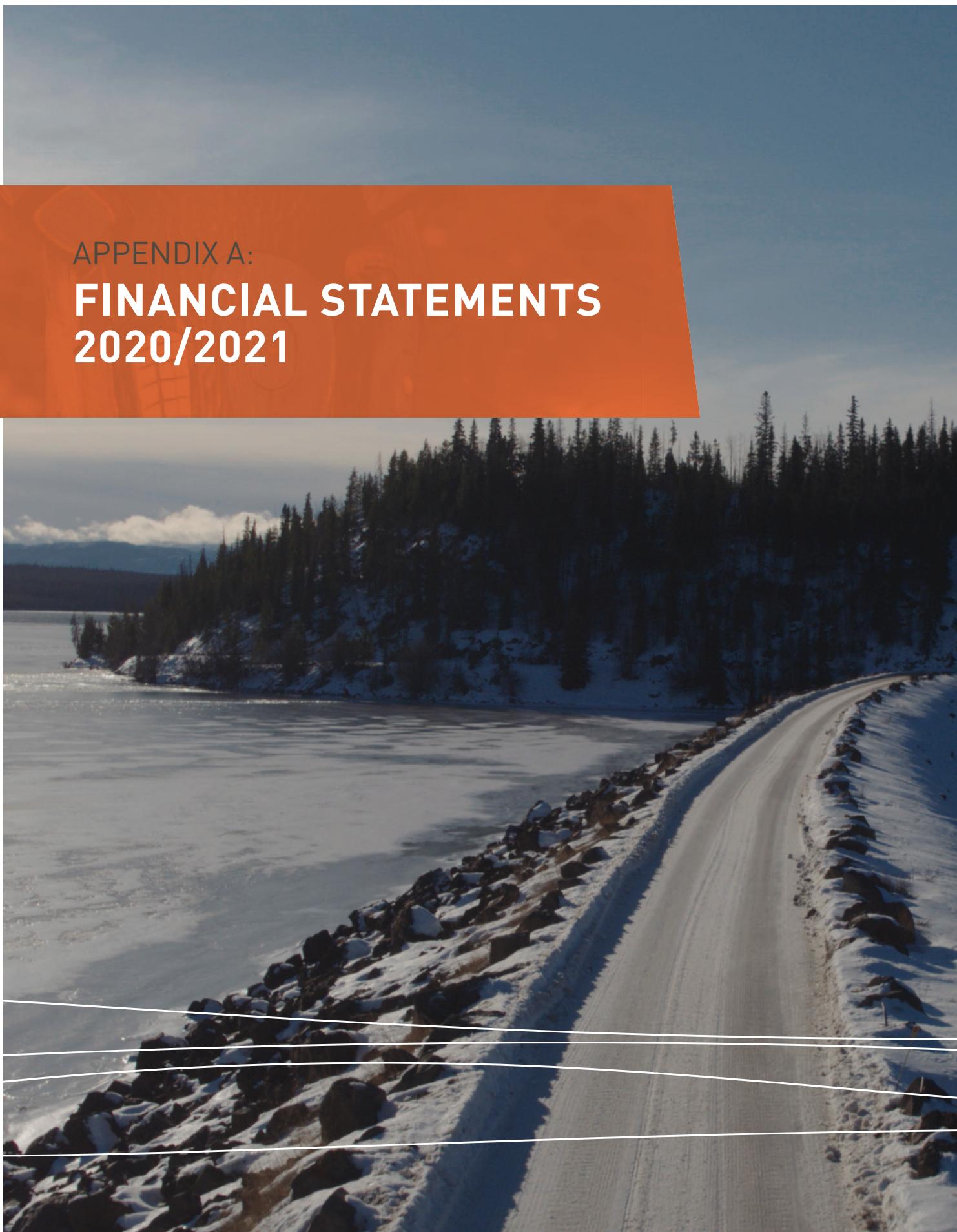


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APPENDIX A: FINANCIAL STATEMENTS 2020/2021



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INDEPENDENT AUDITORS' REPORT

To the Members of First Nations Major Projects Coalition Society

Report on the Financial Statements

Opinion

We have audited the financial statements of First Nations Major Projects Coalition Society (the "Entity"), which comprise:

- the statement of financial position as at March 31, 2021
- the statement of operations and change in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies (hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of the Entity as at March 31, 2021, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the **"Auditors' Responsibilities for the Audit of the Financial Statements"** section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KPMG LLP, an Ontario limited liability partnership and member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. KPMG Canada provides services to KPMG LLP.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Reporting on Other Legal and Regulatory Requirements

As required by the Societies Act (British Columbia) we report that, in our opinion, the accounting policies applied in preparing and presenting financial statements in accordance with Canadian accounting standards for not-for-profit organizations have been applied on a basis consistent with that of the preceding period.



Chartered Professional Accountants

Vancouver, Canada
June 25, 2021

STATEMENT of FINANCIAL POSITION

March 31, 2021, with comparative information for 2020

	2021	2020
Assets		
Current assets:		
Cash	\$262,790	\$92,351
Accounts receivable	\$463,362	\$401,609
Prepaid expenses	\$47,369	-
	\$773,521	\$493,960
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities	\$166,779	\$342,233
Deferred revenue (note 3)	\$606,742	\$151,727
	\$773,521	\$493,960
Net assets	-	-
Economic dependence (note 1)		
	\$773,521	\$493,960

See accompanying notes to financial statements.

Approved on behalf of the Board:



Director



Director

STATEMENT of OPERATIONS AND CHANGE IN NET ASSETS

Year ended March 31, 2021, with comparative information for 2020

	2021	2020
Revenue (note 3):		
Province of British Columbia: environmental assessment and revitalization process funding	\$ -	\$299,350
Ministry of Indigenous Relations and Reconciliation funding	\$90,400	\$100,000
Canadian Environmental Assessment Agency funding	\$636,484	\$352,271
Natural Resources Canada funding	\$1,287,631	\$1,350,000
Other revenue	\$351,305	\$429,731
	\$2,365,820	\$2,531,352
Expenses:		
Administration	\$309,268	\$239,372
Board of director meetings	\$112,300	\$150,980
Economic participation	\$920,305	\$699,784
Environmental stewardship	\$557,218	\$689,983
Outreach	\$312,165	\$520,823
Structure and governance	\$154,564	\$230,410
	\$2,365,820	\$2,531,352
Excess of revenue over expenses	-	-
Net assets, beginning of year	-	-
Net assets, end of year	\$ -	\$ -

See accompanying notes to financial statements.

STATEMENT of CASH FLOWS

Year ended March 31, 2021, with comparative information for 2020

	2021	2020
Cash provided by (used in):		
Operations:		
Excess of revenue over expenses	\$ –	\$ –
Changes in non-cash operating working capital:		
Accounts receivable	(\$61,753)	(\$165,015)
Prepaid expenses	(\$47,369)	-
Accounts payable and accrued liabilities	(\$175,454)	\$93,705
Deferred revenues	\$455,015	\$5,239
Increase (Decrease) in cash	\$170,439	(\$66,071)
Cash, beginning of year	\$92,351	\$158,422
Cash, end of year	\$ 262,790	\$ 92,351

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

Year ended March 31, 2021

1. Nature of operations, economic dependence and going concern:

(a) Nature of operations and economic dependence:

First Nations Major Projects Coalition Society (“FNMPC”) is a not-for-profit organization incorporated on March 8, 2017 under the Societies Act (British Columbia) and commenced operations on April 1, 2017. The purpose of FNMPC is to work collaboratively, cooperatively and cohesively towards the enhancement of the economic well-being of its members, understanding that a strong economy is reliant upon a healthy environment supported by vibrant cultures, languages and expressions of traditional laws.

FNMPC’s ongoing operations are dependent on continued funding from Natural Resources Canada and other British Columbia Provincial Agencies to carry out its programs.

In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization and continues to have an impact. This has resulted in Canadian and Provincial governments enacting emergency measures to combat the spread of the virus. The situation presents uncertainty over the FNMPC’s future cash flows and may have a significant impact on the FNMPC’s future operations. Potential impact on its business could include increases in expenses and/or reduction in revenue. As the situation is dynamic and the ultimate duration and magnitude of the impact on the economy are not known, an estimate on the financial effect on FNMPC is not determinable at this time. Management will continue to monitor any ongoing financial impact to the FNMPC and adjust its operations as required to ensure its ability to fulfill its obligations and continue its operations.

2. Significant accounting policies:

These financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations. The significant accounting policies are as follows:

(a) Revenue recognition:

FNMPC follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred or the restrictions have been met.

Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

(b) Contributed services:

Contributed services are recognized when a fair value can be reasonably estimated and when the services are used in the normal course of FNMPC’s operations and would otherwise have been purchased.

(c) Contribution receivable:

FNMPC recognizes contributions receivable as an asset when the amount to be received can be reasonably estimated and the ultimate collection is reasonably assured.

(d) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. FNMPC has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets carried at cost or amortized cost are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, FNMPC determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount FNMPC expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(e) Use of estimates:

The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Actual results could differ from those estimates.

(f) Due to related party and related party transactions:

Related parties exist when one party has the ability to exercise, directly or indirectly, control, joint control or significant influence over the other. Two or more parties are related when they are subject to common control, joint control or common significant influence. Related parties also include management and immediate family members.

A related party transaction is a transfer of economic resources or obligations between related parties, or the provision of services by one party to a related party, regardless of whether any consideration is exchanged. The parties to the transaction are related prior to the transaction. When the relationship arises as a result of the transaction, the transaction is not one between related parties.

3. Deferred revenue:

Deferred revenue represents funding received for programs to be carried out in the following fiscal year:

	BALANCE, BEGINNING OF YEAR	FUNDING RECEIVED OR RECEIVABLE	AMOUNTS RECOGNIZED AS REVENUE IN THE YEAR	BALANCE, END OF YEAR
Province of British Columbia: environmental and revitalization process funding	\$ -	\$125,000	\$ -	\$125,000
ISC funding: lands advisory assessment	\$ -	\$155,000	\$ -	\$155,000
Ministry of Indigenous Relations and Reconciliation funding	\$ -	\$90,400	\$90,400	\$ -
Canadian Environmental Assessment Agency funding	\$102,513	\$558,538	\$636,484	\$24,567
Natural Resources Canada funding	\$ -	\$1,335,000	\$1,287,631	\$47,369
Rio Tinto	\$48,894	\$ -	\$48,894	\$ -
Corporate sponsorship & event registration	\$ 320	\$292,939	\$109,849	\$183,410
Other funding	\$ -	\$263,958	\$192,562	\$71,396
	\$151,727	\$2,820,835	\$ 2,365,820	\$606,742

4. Director remuneration:

For the year ended March 31, 2021, FNMPC paid total remuneration, including honorariums and reimbursement of expenses, to the following individuals in their capacity as directors of FNMPC:

	RENUMERATION	EXPENSES
Chair	\$34,300	\$1,907
Vice-chair	\$9,500	\$ -
Treasurer	\$15,000	\$789
Director #1	\$11,000	\$669
Director #2	\$13,000	\$770
Director #3	\$11,000	\$1,599
	\$93,800	\$5,734

5. Employee and contractor remuneration:

For the year ended March 31, 2021, FNMPC paid total remuneration of \$1,497,261 (2020 - \$1,281,704) to nine (2020 - nine) contractors for services, each of whom received total annual remuneration of \$75,000 or greater.

6. Financial risks and concentration of risk:

FNMPC believes that it is not exposed to significant foreign currency, interest rate, market or credit risks arising from its financial instruments. Liquidity risk is the risk that FNMPC will be unable to fulfill its obligations on a timely basis or at a reasonable cost. FNMPC manages its liquidity risk by monitoring its operating requirements.



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