

CONSOLIDATED ANNUAL REPORT OF THE IMPLEMENTATION COMMITTEE

SAHTU DENE AND METIS

Comprehensive Land Claim Agreement April 1, 2010 – March 31, 2015









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Glossary of Acronyms and Abbreviations

INAC Indigenous and Northern Affairs Canada

CLCA Comprehensive Land Claims Agreement

CPN Contracting Policy Notice

DAAIR Department of Aboriginal Affairs and Intergovernmental Relations (GNWT)

GNWT Government of the Northwest Territories

IC Implementation Committee

MVEIRB Mackenzie Valley Environmental Impact Review Board

NWT Northwest Territories

SDMCLCA Sahtu Dene and Metis Comprehensive Land Claim Agreement

SLUPB Sahtu Land Use Planning Board

SLWB Sahtu Land and Water Board

SRRB Sahtu Renewable Resources Board

SSA Sahtu Settlement Area

SSI The Sahtu Secretariat Incorporated

Chapter

OVERVIEW AND BACKGROUND

On September 6, 1993, the Sahtu Tribal Council (later replaced by the Sahtu Secretariat Incorporated (SSI), the Government of the Northwest Territories (GNWT) and the Government of Canada (Canada) signed the Sahtu Dene and Metis Comprehensive Land Claim Agreement (SDMCLCA), and the accompanying Implementation Plan. The SDMCLCA took effect on June 23, 1994.

Under the Agreement, the Sahtu received title to 41,437 square kilometres of land in the Sahtu Settlement Area (SSA) of the Northwest Territories (NWT), 1,813 square kilometres of which includes mines and minerals.

Other major provisions of the SDMCLCA include:

- \$130 million in tax-free capital transfers over a period of 15 years;
- wildlife harvesting rights and the right of first refusal for commercial wildlife activities in the SSA;
- establishment of institutions of public government to manage wildlife and regulate land, water, and the environment in the SSA;
- · guaranteed Sahtu nominees/appointees on institutions of public government; and
- the right to negotiate self-government.

Section 29.2 of the SDMCLCA provides for the establishment of an Implementation Committee (IC). The IC is comprised of three senior officials, each representing one of the signatories to the Agreement (Canada, the GNWT and the SSI).

The IC oversees and monitors the ongoing obligations of the Parties pursuant to the SDMCLCA, as described in the Implementation Plan, and serves as a forum to resolve any issues that may arise with respect to the implementation of the agreement. The IC is also responsible to report annually on the implementation of the agreement through the publication of an annual report. This report is a consolidation of implementation activities undertaken and overseen by the IC for the period 2010-2011 to 2014-2015.

Typically the IC meets in person at least three times per year to plan, coordinate and review implementation activities and to discuss any implementation issues identified by the Parties. This consolidated annual report provides an overview of activities undertaken and issues considered by the IC during this period, including progress made towards the resolution of outstanding issues and future actions to be taken to advance the resolution of those issues.

During the period 2010-2011 to 2014-2015, IC meetings were held as follows:

- 2010-2011: May 26th, October 13th and December 8th
- 2011-2012: May 11th, September 27th and December 7th
- 2012-2013: July 3rd-5th, October 17th and December 6th
- 2013-2014: July 8th, October 7th and December 12th
- 2014-2015: May 7th-8th, September 24th and November 25th

Summary of Agreement Provisions

- Eligibility and Enrolment: An Enrolment Board comprised of seven people, one from each of the Sahtu communities, appointed by the Sahtu Tribal Council, was established to enrol those who are entitled to be registered as participants under the SDMCLCA. Ongoing enrolment of participants is the responsibility of the SSI.
- Self-Government: The SDMCLCA obligates government to enter into negotiations with the Sahtu
 Dene and Métis with a view to concluding self-government agreements that take into consideration
 the unique circumstances of the Sahtu Dene and Métis. Self-government agreements cannot
 contradict or be inconsistent with the SDMCLCA, nor can they affect the rights of the Sahtu Dene
 and Métis as Canadian citizens. Self-government agreements are intended to address the desire
 of the Sahtu Dene and Métis to have self-government exercised as close to the community level as
 is reasonably possible.
- **Dispute Resolution:** An Arbitration Panel was established to resolve disputes in accordance with the provisions of the SDMCLCA. The panel is comprised of four to eight members appointed by the Parties.
- Sahtu Organizations: Designated Sahtu organizations are committed to executing the Sahtu
 responsibilities outlined in the SDMCLCA. A designated Sahtu organization must be a trust,
 society, or corporation established pursuant to federal or territorial legislation. All rights exercisable
 by a designated Sahtu organization, such as receiving and managing financial payments, and
 owning and managing land, were assigned by the Sahtu Tribal Council prior to the signing of the
 SDMCLCA.
- Financial Compensation: In accordance with the SDMCLCA, Canada paid approximately \$130 million over a period of 15 years to the SSI, as the organization representing the Sahtu Dene and Métis. The SSI commenced the repayment of the Sahtu Dene and Metis negotiation loans in 1995, through the deduction of loan repayment costs from federal capital transfer payments as per section 8.3, Loans Against Capital Transfer, of the SDMCLCA.
- Resource Royalties: As set out in Chapter 10 of the SDMCLCA, government must pay to
 the Sahtu, on a quarterly basis, a percentage of resource royalties received from resource
 development projects undertaken in the Mackenzie Valley. With the implementation of the
 Northwest Territories Devolution Agreement on April 1, 2014, these payments have been made to
 the Sahtu by the GNWT, on behalf of government.

- Economic Measures: Government economic development programs in the SSA, which are in place from time to time, take into consideration the need to support the Sahtu traditional economy; encourage the development of commercially viable Sahtu businesses and enterprises; provide the Sahtu with business and economic training and educational assistance; and encourage Sahtu employment in major projects and developments in the public service and public agencies. Government is required to consult with the SSI when proposing new programs, and every three years the Parties are required to review the effectiveness of programs relating to the economic development objectives and measures set out in Chapter 12 of the Agreement. In addition to their obligations under Chapter 12 concerning contracting and procurement, Canada and the GNWT will utilize best practices and procedures intended to maximize employment and business opportunities for aboriginal people, as well as for local and regional small to medium sized businesses.
- Wildlife Harvesting and Management: Chapter 13 of the SDMCLCA sets out the Sahtu's wildlife
 harvesting rights in the SSA and provides for the establishment of the Sahtu Renewable Resources
 Board (SRRB). It is the responsibility of the SRRB, in collaboration with the other Parties, to protect,
 conserve and manage, in a sustainable manner, renewable resources within the SSA to meet the
 needs of the public today and in the future. For more information, please visit the SRRB's website at
 www.srrb.nt.ca.
- Land and Water Regulation: Chapter 25 of the SDMCLCA provides for the creation of the following implementing bodies pursuant to legislation:
- Sahtu Land and Water Board (SLWB) regulates land and water use throughout the SSA. For more information, please visit the Board's website at www.slwb.com; and
- Sahtu Land Use Planning Board (SLUPB) tasked with developing a land use plan for the SSA and for reviewing and proposing amendments to the plan. For more information, please visit the Board's website at www.sahtulanduseplan.org.

Chapter 25 also provides for Sahtu-nominated membership on the Mackenzie Valley Environmental Impact Review Board (MVEIRB), established pursuant to the Mackenzie Valley Resource Management Act, which conducts environmental impact assessments of development proposals within the Mackenzie Valley. The SDMCLCA also allows the SSI to refer development proposals that may impact upon the SSA to MVEIRB, and provides an opportunity for the SSI to nominate members to Review Board panels which are established from time to time. For more information, please visit the Board's website at www.reviewboard.ca

Chapter

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IMPLEMENTATION PARTIES

The Sahtu Secretariat Incorporated (SSI)

The SSI is made up of seven Sahtu land corporations: four Dene land corporations and three Metis land corporations. During the period 2010-11 – 2014-15, the SSI was represented on the IC by Mr. Rocky Norwegian, Implementation Representative. Mr. Norwegian was succeeded by Ms. Ethel Blondin-Andrew, Chairperson of the SSI Board of Directors.

More information on the SSI can be found online at www.sahtu.ca.

Government of the Northwest Territories (GNWT)

The Department of Aboriginal Affairs and Intergovernmental Relations (DAAIR) is responsible for coordinating and monitoring the GNWT's implementation activities under the SDMCLCA. Until December 2013, Mr. Scott Alexander, Director of Implementation, represented the GNWT on the IC. Upon his retirement in December, 2013, Mr. Alexander was succeeded in the position by Ms. Sue Bowie, the incoming Director of Implementation.

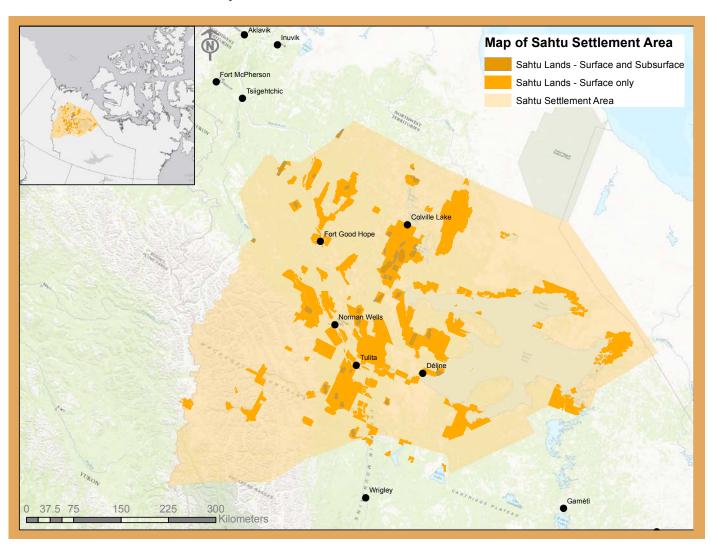
- More information on the GNWT can be found online at http://www.gov.nt.ca;
- More information on DAAIR can be found online at http://www.daair.gov.nt.ca.

Government of Canada (Canada)

The Implementation Branch of Indigenous and Northern Affairs Canada (INAC) is responsible for monitoring and facilitating the fulfillment of federal government obligations contained in the SDMCLCA and the accompanying Implementation Plan. The Implementation Branch provides funding to the implementing bodies, the SSI, and the GNWT, as identified in the Implementation Plan. Ms. Kimberly Thompson, Director Treaty Management West, represented Canada on the IC during the period 2010-11 – 2014-15.

- More information on the Government of Canada and its departments, programs, and services can be found online at http://canada.gc.ca;
- More information on INAC can be found online at http://www.aadnc-aandc.gc.ca

Map of the Sahtu Settlement Area





2010-2011 - 2014-2015 REPORTING

Annual Reports

The SDMCLCA requires the IC to prepare an annual report on the implementation of the agreement. Canada is responsible for publishing the reports.

Activities: 2010-2011

- 2007-2008 Annual Report tabled in Parliament on September 20, 2010; printed copies of the report provided by Canada to both the GNWT and the SSI
- 2008-2009 Annual Report in the final stages of the federal approval process
- 2009-2010 Annual Report Canada incorporated GNWT's comments on the first draft of the report, with comments from the SSI pending
- The Parties agreed to develop a new format for annual reports

Activities: 2011-2012

- 2008-2009 Annual Report tabled in Parliament in June 2011; printed copies of the report were provided by Canada to both the GNWT and the SSI
- 2009-2010 Annual Report final draft agreed upon and submitted for approval
- 2010-2011 Annual Report draft report prepared and distributed by Canada to the GNWT and the SSI; comments from SSI pending
- The Parties finalized a new format for annual reports

Activities: 2012-2013

- 2009-2010 Annual Report in the approval process
- · 2010-2011 Annual Report final draft agreed upon and submitted for approval
- 2011-2012 Annual Report draft report prepared and distributed by Canada to the GNWT and the SSI for review and comments

Activities: 2013-2014

- 2009-2010 Annual Report in the final stages of production
- 2010-2011 Annual Report in the approval process
- 2011-2012 Annual Report final draft agreed upon and submitted for approval
- 2012-2013 Annual Report draft report prepared and distributed by Canada to the GNWT and the SSI for review and comments

Activities: 2014-2015

- 2009-2010 Annual Report tabled in Parliament in May, 2014; printed copies of the report were provided by Canada to both the GNWT and the SSI
- The IC agreed to compile the annual reports for fiscal years 2010-2011 to 2013-2014 and redraft into a consolidated report, which was distributed for review and approval
- The GNWT agreed to assume increased responsibilities in the preparation of annual reports

Next Steps:

The 2014-2015 activities of the Implementation Committee will be incorporated into the 2010-2011
 2013-2014 consolidated report to form a five-year consolidated report. The Parties will continue to work together to identify and implement improvements to the format and timing of annual reports.

Regulatory Reform

The 2008 Neil McCrank report entitled Road to Improvement, contained recommendations in regard to northern regulatory regimes, focusing on the Northwest Territories. The report detailed concerns about the way regulatory systems operated, the multitude of jurisdictions, and the length of time needed for regulatory approval. Following the report, Canada focused on a two-pronged approach to regulatory improvement, looking at both operational-level improvements in areas of federal responsibility and a long-term action plan for regulatory improvement. On May 3, 2010, as part of the Northern Action Plan, Minister Strahl announced the appointment of John Pollard as Chief Federal Negotiator to lead consultations and negotiations with the GNWT and aboriginal leadership on structural changes to the land and water boards in the Mackenzie Valley.

Activities: 2010-2011

- Canada provided regular updates on the Northern Action Plan (regulatory reform and Surface Rights Board (SRB) legislation) and confirmed that Mr. Pollard had undertaken fact-finding engagements in the Northwest Territories and would soon begin the negotiations phase of regulatory reform.
- Canada presented an overview to the IC on the creation of the SRB, and explained the proposed legislation. The purpose of the SRB is to provide clarity to individuals and corporations looking to develop subsurface interests on private lands, including in land claim areas, assuring them that there is a clear dispute resolution mechanism in the Northwest Territories when it comes to surface rights. The board is intended as a last resort, with the intention being that Parties would negotiate and resolve disputes prior to taking them to the SRB.

Activities: 2011-2012 - 2012-2013

- Canada continued to keep the Parties updated on the federal government's Northern Action Plan (regulatory reform and Surface Rights Board legislation).
- Consultations occurred on both the first and second drafts of the Surface Rights Board Act
 (Canada). In order to properly prepare for discussions, the SSI requested that Canada provide
 a clear mandate for the regulatory review process in order to allow SSI to properly prepare for
 discussions.

Activities: 2013-2014

- The IC discussed government's decision to move forward with the creation of the SRB under territorial legislation. To facilitate the process of selecting potential candidates for appointment to the SRB, Canada agreed to canvass individuals who had participated in the discontinued federal board selection process, to gauge their interest in participating in the GNWT's board selection process. Canada committed to providing this information to the GNWT, and to entering into negotiations with the GNWT to provide implementation funding for the start-up and operation of the SRB.
- In IC meetings, the SSI continued to voice objection to the amalgamation of regional land and
 water boards into a single, NWT-wide "super board." SSI has substantiated the position that
 regional boards have facilitated the timely review of development projects, and are an important
 component of the review and regulatory structure created under NWT land claims.

Activities: 2014-2015

- Canada provided ongoing updates on regulatory changes flowing from initiatives set out under the Northern Action Plan. The SSI notified the IC that it had filed a lawsuit against the federal government respecting changes to the MVRMA which would eliminate regional land and water boards created under NWT land claims. In February, 2014 the NWT Supreme Court issued an injunction preventing Canada from proceeding with restructuring of the land and water boards until the conclusion of an earlier lawsuit launched by the Tłjcho Government on this same issue.
- The GNWT provided updates to the IC on the status of activities related to the creation of the SRB. Territorial SRB legislation came into effect on April 1, 2014. A public solicitation process for board members was conducted, and appointments subsequently made to form the first NWT Surface Rights Board. The SSI expressed an interest in being included in the solicitation process for future appointees representing the Sahtu Region. The GNWT and Canada negotiated a funding agreement to provide start-up and ongoing funding to support SRB operations.

Next Steps:

 Government will continue to provide updates at the IC on the progress of initiatives under Canada's Northern Action Plan and matters related to the SRB and address concerns raised by the SSI.

Devolution

Over the course of the reporting period, negotiations between Canada and the GNWT resulted in the conclusion of a NWT Lands and Resources Devolution Agreement-in-Principle (AIP) in 2011 and a final agreement in 2013. The SSI signed on to the NWT Lands and Resources Devolution AIP in 2012. As of the transfer date – April 1, 2014 - the GNWT assumed responsibility and authority for the management of Crown lands and resources in the Northwest Territories. To ensure that Devolution implementation activities progressed smoothly, Canada, the GNWT and aboriginal governments established various trilateral, bilateral and internal working groups to complete technical work, and plan and oversee implementation activities. Additionally, two rounds of consultations with aboriginal groups and regulatory bodies were undertaken.

Canada, the GNWT and the SSI worked collaboratively, both bilaterally and trilaterally, to identify and confirm federal SDMCLCA implementation activities and responsibilities that would be fulfilled by the GNWT post-devolution. This work informed the completion of Schedule 2 to the devolution agreement.

Activities: 2010-2011

 Mr. Jamie Tibbetts, INAC devolution representative, provided the IC with an update on the status, proposed timelines and next steps respecting devolution, and clarified the meaning of particular sections of the NWT Land and Resources Devolution AIP. The SSI expressed concern with the devolution process, including allocation of devolved government positions to regional and district offices. The SSI will monitor the process going forward and raise concerns for resolution through the IC as required.

Activities: 2011-2012 - 2012-2013

- In accordance with the NWT Land and Resources AIP, Canada notified SSI of federal SDMCLCA
 obligations and activities set out in the SDMCLCA Implementation Plan that may be affected by the
 devolution of responsibility for land and resources to the GNWT. The IC worked to develop a common
 understanding of how implementation activities would be impacted by devolution going forward.
- Mr. Wayne Walsh, INAC devolution representative, provided an update on the devolution negotiation
 process, outlining the background, current status, and major issues being discussed at the negotiating
 table, including human resource issues, oil and gas (on-shore/off-shore), contaminated waste sites,
 and the MVRMA. Mr. Walsh also confirmed that the target date for the transfer of responsibility,
 authority and resources under the devolution agreement is April 1, 2014.

Activities: 2013-2014

Consultation with aboriginal governments on devolution legislation occurred over the course of the
fiscal year. At the IC, the SSI continued to express concern with the impact of devolution on the
SDMCLCA, and indicated that clause 22.2 specifically will need to be amended as a result of the
devolution agreement. The Parties agreed to continue discussions on this issue going forward.

Activities: 2014-2015

• With the finalization and implementation of the NWT Land and Resources Devolution Agreement and its ancillary agreements, the NWT Intergovernmental Council and associated working groups, comprised of the GNWT and aboriginal governments who have signed onto the devolution agreement, were formed. Resource revenue sharing between the GNWT and aboriginal governments participating in devolution took effect. The SSI stressed the need to move forward with the work of the Intergovernmental Council, and with resource revenue sharing, in a timely manner. The GNWT agreed to take the SSI's view back for consideration by the GNWT's Department of Aboriginal Affairs and Intergovernmental Relations Division.

Economic Measures

As part of the ongoing implementation of Chapter 12 of the SDMCLCA, the IC discussed government contracting in the SSA (section 12.2), and the obligation to carry out three-year reviews of the effectiveness of economic development programs in achieving Sahtu economic self-sufficiency (clause 12.1.4). The Parties previously agreed that past reviews had been of limited benefit. The IC therefore agreed that, in lieu of a formal review process, the Parties would undertake more practical measures aimed at supporting the advancement of the overall objectives of this chapter. To this end, it was agreed that in order to ensure that Sahtu communities were aware of the nature and availability of government programs and services that support employment and economic development generally, government departments from both the GNWT and Canada would present overviews of all such available programs and services.

To accommodate this objective, a four-phase approach was adopted by the IC.

- **Phase I** a discussion between the IC representatives on their respective interpretations of the Economic Measures chapter.
- **Phase II** a contracting/procurement workshop where government subject matter experts present on contracting policies and procedures, and how to successfully gain contracts with the federal and territorial governments.
- Phase III an economic development workshop, with presentations of those programs and services offered by the GNWT and Canada which are intended to increase the economic prosperity of aboriginal people.
- **Phase IV** next steps for implementing the Economic Measures chapter of the SDMCLCA, using the information gleaned from the previous three phases.

Activities: 2010-2011

- Canada provided Land Claim Contracting Reports, generated through CLCA.net, to the IC for the first and second quarters of 2010-2011.
- The IC agreed to repeal its previous decision to hold the Economic Measures Review in February 2011, and instead agreed to the four-phase approach. Phase I of the Review was carried out in December 2010.

Activities: 2011-2012

- Canada circulated the Land Claim Contracting Report for the Sahtu Region for the first quarter of 2011-2012 and emphasized the importance of having an up-to-date Sahtu business list to ensure businesses are correctly identified as Sahtu businesses within the federal system.
- The IC discussed the next steps in the Economic Measures process, including scheduling of Phase II and III, which would focus on government contracting and government economic development programs respectively. It was agreed that discussions on the objectives of the Economic Measures process and the plan for Phase 4 should begin shortly.

Activities: 2012-2013

- The Parties conducted Phase II of the Economic Measures Review in Norman Wells on February 13 and 14, 2013. Federal and territorial representatives involved in procurement and contracting were on hand to make presentations and provide guidance and information on government contracting requirements, systems and procedures.
- The IC agreed to pursue Phases III and IV of the new approach to the Economic Measures Review in the 2013-2014 fiscal year.
- SSI implemented an application process for individuals and businesses interested in being included on the Sahtu Business List. Canada has emphasized the importance of an up-to-date, authoritative list of Sahtu businesses to inform government contracting and procurement actions.

Activities: 2013-2014

The SSI advised that it would be working with the GNWT on an MOU that would address economic
development and contracting. The IC discussed holding Phases III and IV of the Economic Measures
Review in conjunction with an economic workshop with Sahtu leadership that was being planned
by SSI. Ultimately, the SSI advised that the remaining phases of the Economic Measure review
should be put on hold until the completion of the GNWT/SSI MOU and following the SSI's economic
workshop.

Activities: 2014-15

An Economic Workshop with Sahtu leaders was held in October. The SSI reported that the
workshop was very productive and well attended. Phases III and IV of the Economic Measures
review were discussed by the IC, and will be planned in the upcoming year.

Next Steps:

- The SSI is developing an updated Sahtu Business List which will be accessible through SSI's
 website. In the interim, the SSI will be providing an updated list, and ongoing updates, of Sahtu
 companies to Canada in order to ensure that the information captured in CLCA.net, Canada's
 land claim obligation tracking system, captures current Sahtu businesses.
- The IC will continue to plan for Phase III of the new approach to economic measures review, which will focus on government economic development programs. Options and objectives for Phase IV will also be defined.

Land Surveys

Some land descriptions contained in Volume II of the SDMCLCA are inaccurate. With the support of the Parties, Canada undertook surveys of Sahtu lands in order to determine the correct information, which in turn, will provide certainty with respect to title and open the land to increased economic opportunities.

Activities: 2010-2011 - 2011-2012

The SSI confirmed that the Tulita District Land Corporation passed a resolution which supports
both the registration of surveys that cross their District Boundary and an amendment to Volume II
of the SDMCLCA. Canada sent a request to the SSI, asking that their Board of Directors review
and support the amendment package. SSI reviewed and approved the surveys required for the
amendment to Volume II of the SDMCLCA.

Amendments

Three amendments to the SDMCLCA were considered in the reporting period by the IC:

- 1) A rolling surrender clause to harmonize the SDMCLCA with other land claim agreements;
- 2) An amendment to clarify the status of Crown land received by the Sahtu in exchange for settlement lands, when a land exchange transaction is completed; and,
- 3) Amendments to the land descriptions in Volume II of the SDMCLCA.

Activities: 2010-2011

- Rolling Surrender Canada informed the SSI that, while it would normally require a resolution from
 the SSI's Board of Directors to officially stop the rolling surrender amendments, Canada had put the
 amendments on hold based on a letter from Ethel Blondin-Andrew indicating that the SSI no longer
 supported the amendment. In the future, Canada will require a resolution from the Board of Directors.
- Land Exchange It has been several years since the GNWT and the SSI completed the formal land exchange for the winter road realignment in the vicinity of Canyon Creek. As a result of the exchange, all Parties agreed an amendment to the SDMCLCA was needed to clarify ownership for the exchanged lands, and to clarify that Crown land exchanged with Settlement land in the future would have the status of Settlement land. The Parties sought an update on the status of the amendment, as the GNWT felt that additional land exchanges will be required as a result of highway improvements in the Sahtu Region. The land exchange amendment still requires final sign off by the SSI Board of Directors.
- Amendments to Volume II of the SDMCLCA Canada informed the IC that in order to proceed
 with amendments to Volume II of the SDMCLCA, it would require approval of the land surveys by
 each Sahtu District. The SSI requested that Canada send an email to its representative confirming the
 distinction between internal boundaries and the land surveys, which will aid in obtaining the necessary
 approval. By December, the SSI obtained approval of the land surveys from each of the Districts.

Activities: 2011-2012

- **Rolling Surrender** The SSI confirmed that they had withdrawn their support for the rolling surrender amendments, which had been on hold since fall of 2010.
- Land Exchange The SSI is still seeking final sign-off on the land exchange amendment from its Board of Directors.
- Land Descriptions Canada sent a request to the SSI, asking that their Board of Directors review
 and support the amendment package with a formal resolution. The SSI reviewed the package and
 provided the documentation needed to move forward.

Activities: 2012-2013 - 2014-2015

Land Exchange - Canada confirmed that the land exchange amendment had not been passed
and that an updated motion of support is required from the SSI for the revised French translated
text before it can be submitted for approval. The SSI provided Canada with a copy of the Board
Resolution to approve the amendments to Volume II, and an updated motion of support for the
Land Exchange amendment.

Land Descriptions - Canada completed the Order in Council amending the land descriptions
contained in Volume II of the SDMCLCA. A copy of the Order in Council was provided to the
SSI and the GNWT.

Next Steps:

As the GNWT is now proceeding with discussions with the Tulita Land Corporation respecting
further land exchanges associated with the winter road realignment, Canada has agreed to
make the completion of the land exchange amendment a priority and will keep the IC updated
as to the status of the amendment approval process.

Appointments

At each IC meeting, representatives review the status of nominations and appointments to the various boards created under the SDMCLCA, and confirm the steps necessary to fill the vacancies.

Activities: 2010-2011

Several board appointments were made over the course of the year. The Parties also
discussed the issue of board office locations. Since the SDMCLCA does not address board
locations, one party to the SDMCLCA cannot unilaterally direct the boards on this matter. The IC
agreed to review the matter within their respective organizations and to discuss the possibility of
making a joint decision on the subject at a future IC meeting.

Activities: 2011-2012

The IC discussed upcoming board vacancies, including those to the Sahtu Arbitration Panel.
Because appointments to the Sahtu Arbitration Panel are through consensus nominations,
a Record of Decision was to be sent out once all Parties confirmed their support for the
reappointment of two panel members. The IC agreed to a discussion early in 2012 to determine
an additional nominee, once the Parties have had the opportunity to look over the resumes of
possible candidates.

A Record of Decision was signed to confirm board locations within the Sahtu: the Sahtu Renewable
Resources Board shall be based in Tulita, the Sahtu Land Use Planning Board shall be based in
Fort Good Hope, and the Sahtu Land and Water Board shall be based in Fort Good Hope. These
locations are consistent with where the offices are currently located and the Record of Decision will
set a baseline for any future changes to be decided on by the Implementation Committee through a
similar mechanism. It was agreed upon that subsequent Records of Decision will be numbered for
ease of reference.

Activities: 2012-2013

- At the end of the reporting period, numerous actions had been taken on respective boards:
 - Sahtu Arbitration Panel: James Davis and Karen Snowshoe were reappointed;
 - Sahtu Land and Water Board: awaiting the GNWT's nomination;
 - Sahtu Land Use Planning Board: the SSI nomination is moving through the appointment process and is pending final approval;
 - · Mackenzie Valley Environmental Impact Review Board: awaiting the SSI's nomination; and
 - Sahtu Land and Water Board: awaiting the GNWT's nomination.

Activities: 2013-2014 - 2014-2015

- The GNWT provided formal approval on the reappointments of Karen Snowshoe and James Davis, and a Record of Decision was signed by the IC to indicate all Parties' support for these reappointments.
- The IC continued to provide updates on the status of board vacancies and nominations. IC members followed up internally to advance the process for a number of board nominations.

Next Steps:

 The IC will continue to monitor and report on upcoming board vacancies. Appointments will remain a standing agenda item.

Implementation Plan Renewal

The initial SDMCLCA Implementation Plan was signed on September 6, 1993, by Canada, the GNWT, and the Sahtu Tribal Council for a ten year period. The Plan contains activity sheets which describe how the Parties will undertake the activities required to fulfill the obligations of the SDMCLCA, as well as an estimate of the associated costs. The plan was renewed for the 10-year period - 2004 to 2014 - and a third plan, covering the period 2014 – 2024 has been drafted by a tripartite Implementation Plan Working Group.

Activities: 2011-2012

- The Parties agreed that the review of the SDMCLCA Implementation Plan for the next planning period (2014-2024) should begin no later than April 2012. Canada is advocating for more specificity of details in Implementation Plans, such as defining "sufficient time", "as soon as is practicable", and "sufficient information", which would make it more of a "work planning" document. The GNWT and the SSI are supportive of this approach.
- The Parties discussed the need to provide boards with the opportunity to provide input to the IC with regards to their budget requirements over the next 10-year planning period. Canada is currently looking into whether ten-year funding horizons are realistic, and is canvassing within the federal system to determine whether there is support for five-year funding timelines as an alternative. The SSI and the GNWT expressed interest in five-year horizons for board funding, and the IC agreed to consider this matter further.
- The IC agreed to create a working group to conduct a review of the SDMCLCA
 Implementation Plan, with any substantive changes to be brought to the IC for discussion.
 It was also agreed that the review will not become politicized, and will therefore occur in
 isolation from the SDMCLCA Implementation Plan review that was proposed as part of the
 devolution process.

Activities: 2012-2013 - 2014-2015

- Over the course of the reporting period, the SDMCLCA Implementation Plan Working Group conducted a thorough review of the current plan, identifying areas for updating, improvement and amendment. Activity sheets were then amended, as required. New activity sheets were developed where appropriate, and a number of activity sheets were marked complete where obligations and activities had been fulfilled.
- With the devolution of land and resource authorities and responsibilities from Canada to the GNWT as of April 1, 2014, the working group conducted a further review to ensure that new obligations for GNWT were clearly articulated in the activity sheets.
- All activity sheets were vetted internally by each working group member, with input provided by relevant government departments and by the SSI, Designated Sahtu Organizations and Sahtu implementation bodies and as appropriate.

Next Steps:

 A final draft of the new SDMCLCA Implementation Plan is undergoing final review and will be brought to the IC for approval once a final draft has been concluded.

Sahtu Land Access

An IC working group was created to draft pamphlets that would clarify obligations when accessing Sahtu settlement lands for public and commercial interests.

Activities: 2010-2011 - 2011-2012

- Plain-language versions of public and commercial access pamphlets were developed by the working group and were circulated for comment. Technical changes were made, and drafts were produced for review/discussion by the IC.
- Canada's internal review yielded additional comments that were discussed at the working group level and which highlight areas where the Parties may have slightly different understandings of the provisions of the Access Chapter.

Activities: 2012-2013 - 2014-2015

- After discussion of the draft pamphlets and the matter of public and commercial access generally, the IC agreed that a more substantive discussion on each party's respective interpretations of the Access chapter of the SDMCLCA would be timely. The IC is committed to working towards a shared understanding of the chapter in order to improve the implementation of the chapter going forward.
- Canada suggested that the Parties develop terms and conditions for access in accordance with clause 21.1.7 of the SDMCLCA, in order to ensure a clearer understanding and more consistent implementation of the chapter. For ease of distribution, it was agreed that these terms and conditions would be compiled in pamphlet format.
- In 2014, the IC chose to place the planned discussion and development of the access pamphlets on hold, in order to focus on other areas of priority to the Parties.

Next Steps:

• The IC will place discussion of the Access Chapter, and the subsequent development of pamphlets, back on the agenda in 2015-2016.

Sahtu and Tłįcho Overlap

Prior to the signing of the Tłįchǫ Agreement in 2003, in accordance with the federal approach to overlaps of traditional territories of two or more aboriginal groups, the Sahtu and Tłįchǫ held bilateral discussions to negotiate and conclude an overlap agreement, which would set out how their respective rights would operate within the overlapping settlement areas. While some discussions did occur, no formal overlap agreement was entered into.

It has come to the attention of the Parties to the land claim agreements that the legal "metes and bounds" description of Mowhì Gogha Dè Nııtlèè (Tlicho Settlement Area) as set out in the Tlicho Agreement defines a larger area of overlap with the Sahtu Settlement Area than the illustrative map in the Tlicho Agreement would indicate. This has raised concerns, particularly for the Sahtu Dene and Metis of Déline, with respect to how the rights of both the Sahtu and Tlicho will operate in the overlap area. To provide certainty, the SSI and the Déline Land Corporation would like to complete an overlap agreement with the Tlicho Government.

Activities: 2010-2011

 Canada advised the IC that the last official meeting between federal officials and Déline representatives on the overlap issue was in February 2010. Canada requested that the SSI keep the IC apprised of the outcome of bilateral meetings between Déline and the Tłicho Government.

Activities: 2011-2012 - 2014-2015

- Canada reiterated its position, as outlined in a July 2011 letter from the Minister to the SSI, that overlap agreements are best completed by aboriginal Parties. Both Canada and the GNWT have encouraged the Sahtu and Tłįchǫ to work together on this matter. Canada offered to facilitate meetings with the Tłįchǫ to support the conclusion of an overlap agreement.
- The GNWT and Canada recognize that the Tłįcho Agreement cannot override the rights of other aboriginal groups. Rights cannot be abrogated or derogated, and pre-existing rights are paramount. Should it be found that there is a conflict between rights, the matter would need to be formally addressed.

Next Steps:

 The issue of the overlap between the Sahtu and Tłįchǫ Settlement Areas will be monitored by the IC, who will support the SSI, Délįnę Land Corporation and Tłįchǫ in their efforts to secure an overlap agreement. The SSI has indicated that it will continue to work with Délįnę to engage the Tłįchǫ Government in overlap discussions.

Self-Government Negotiations

Chapter 5 and Appendix B of the SDMCLCA provide for the negotiation of self-government agreements at the community level. The Sahtu Dene and Metis of Délįnę, Fort Good Hope, Tulita, Colville Lake and Norman Wells are each at different stages of the negotiating process. Over the course of the reporting period, Implementation Committee representatives have discussed and provided updates on the progress of self-government negotiations at Implementation Committee meetings, and will continue to do so at future meetings.

- Déline The Déline Final Self-Government Agreement was signed on February 18, 2015. The GNWT passed implementing legislation in March, 2015, and corresponding federal legislation was passed in June, 2015. On the effective date of the Agreement, September 1, 2016, the Déline Land Corporation, Déline Financial Corporation, Déline First Nation Band and the Charter Community of Déline will merge to form a single, aboriginal public government representing the Sahtu Dene and Metis of Déline and all residents of the community. Until that time, government is working collaboratively with the community to prepare for self-government.
- Tulita The Tulita Dene Band, Tulita Land and Financial Corporations, Tulita Yamoria Community Secretariat, Fort Norman Land and Financial Corporations and the Hamlet of Tulita signed a selfgovernment framework agreement with government in 2005. The negotiation of an agreement-inprinciple (AIP) has been ongoing since that time, and is nearing completion.
- **Norman Wells** The Norman Wells Land Corporation signed a self-government framework agreement with government in June 2008, and negotiations for an AIP are progressing.
- Fort Good Hope The K'asho Got'ine of Fort Good Hope, Canada and the GNWT concluded a Process and Schedule Agreement in September 2014, and are now awaiting the community's readiness to proceed with AIP negotiations.
- Colville Lake The Behdzi Ahda First Nation of Colville Lake, the GNWT and Canada signed a
 Process and Schedule Agreement for the negotiation of self-government arrangements in 2014. The
 Parties are now in the early stages of negotiating an AIP.

Other Matters

The IC provides a forum for the Parties to discuss other issues, initiatives and accomplishments related to the implementation of the SDMCLCA.

1. Norman Wells Proven Area

Pursuant to Chapter 9 of the SDMCLCA, government is required to consult with the SSI with respect to matters discussed with Imperial Oil Ltd. or other Parties concerning any amendment, renegotiation, or renewal of the Proven Area Agreement. In addition, government and the SSI are to establish a joint committee for the purpose of reviewing current and future operations pursuant to the Proven Area Agreement. To satisfy this requirement, Canada, SSI, and Imperial Oil/Esso meet at least once each year in Tulita, Fort Good Hope, or Norman Wells to undertake this review.

Activities: 2010-2011

 Canada advised the IC that INAC and the SSI were meeting in June 2010 to review current and future operations pursuant to the Proven Area Agreement.

Activities: 2014-2015

A joint committee meeting was held in Tulita in the summer of 2014. The committee agreed
to develop a terms of reference and proceed with the agenda and activities agreed to at the
annual meeting. The SSI is committed to taking a more active role in the Norman Wells Proven
Area annual meeting.

Next Steps:

• The IC will continue to monitor and discuss the implementation of the Norman Wells Proven Area Agreement and support an expanded role for the SSI in the annual meeting.

2. Naats'ihch'oh National Park Reserve

In January 2008, the Minister of the Environment and the Tulita District Land Corporation signed a Memorandum of Understanding (MOU) to initiate the necessary groundwork for the establishment of a national park reserve in the southwest corner of the SSA, near Tulita. The area is in the Mackenzie Mountains, which includes the headwaters of the South Nahanni River, and is part of the Greater Nahanni Ecosystem. Since the signing of the MOU, Parks Canada has provided funding for a traditional knowledge study and funding to negotiate an impact and benefits plan.

Activities: 2012-2013 - 2014-2015

- The IC discussed the need to ensure that the rights of Sahtu beneficiaries when it comes to the
 establishment and ongoing operation of the Naats'ihch'oh National Park Reserve are clearly
 articulated.
- With the implementation of the Northwest Territories Devolution Agreement on April 1, 2014, federal and territorial IC representatives worked with their respective devolution teams to ensure that Naats'ihch'oh National Park Reserve lands were excluded from the transfer of Crown land from Canada to the GNWT, and that the land withdrawal order remained in effect during the process.
- Naats'ihch'oh National Park Reserve was established on December 18, 2014 with the passage
 of legislation under the National Parks Act. The Sahtu Land Use Planning Board is currently
 engaged in the process of amending the Sahtu Land Use Plan to rezone areas under the land
 withdrawal that were ultimately not taken up by the park.

Implementation Funding

As set out in the SDMCLCA Implementation Plan and associated bilateral funding agreements, Canada provides funding to the SSI, GNWT and implementation bodies created pursuant to the land claim, to support the ongoing implementation of the agreement.

Over the reporting period, Canada provided the following funding to the SSI and implementing bodies created under the agreement:

Year	Funding	Sahtu Renewable Resources Board	Sahtu Land and Water Board	Sahtu Land Use Planning Board	Sahtu Secretariat Incorporated	Sahtu Arbitration Panel
2010-2011	Core	\$772,855	941,011	\$355,660	\$970,683	\$33,195
	Supplemental	N/A	NA	\$828,521	\$215,000	N/A
	Total	\$772,855	941,011	\$1,184,181	1,185,683	\$33,195
2011-2012	Core	\$781,645	\$951,714	\$359,705	\$981,723	\$33,573
	Supplemental	N/A	\$314,000	\$335,368	\$264,689	-\$21,057
			\$8,542	\$90,000		
				\$10,000		
				\$90,000		
	Total	\$781,645	\$1,274,256	\$885,073	\$1,246,412	\$12,516
2012-2013	Core	\$797,197	\$970,649	\$366,862	\$1,001,255	\$34,241
	Supplemental		\$216,000	\$278,500	\$201,736	\$21,057
	Total	\$797,197	\$1,186,649	\$645,362	\$1,202,991	\$55,298
2013-2014	Core	\$813,411	\$990,391	\$374,324	\$1,021,619	\$0
	Supplemental	\$77,921	\$399,460	\$56,904	\$45,510	\$0
	Total	\$891,332	\$1,389,851	\$431,228	\$1,067,129	\$0
2014-2015	Core	\$822,358	\$1,001,284	\$378,441	\$1,032,856	\$35,321
	Supplemental	\$143,186	\$555,163	\$137,482	\$150,000	\$0
	Total	\$965,544	\$1,556,447	\$515,923	\$1,182,856	\$35,321
2010-2011	Core	\$3,987,466	\$4,855,049	\$1,834,992	\$5,008,136	\$136,330
	Supplemental	\$221,107	\$1,493,165	\$1,826,776	\$876,935	\$0
	5-YR. TOTAL	\$4,208,573	\$6,348,214	\$3,661,768	\$5,885,071	\$136,330

(Note: Implementation Payments listed in the 2008-2009 Annual Report, and years previous, included payments to the SSI, the GNWT, and the implementing bodies, including the Mackenzie Valley Environmental Impact Review Board.

The implementation payments listed above now include Sahtu-specific implementing bodies only.)

Activities: 2012-2013 - 2014-2015

- Canada acknowledged that NWT boards are at a point where they are under various funding pressures. The IC discussed the challenges faced under the current board funding model, particularly in terms of the responsiveness and effectiveness of funding.
- Canada advised that the current board funding model would be reviewed and options
 developed for improvement. Canada requested the concurrence of the Parties to participate
 in a collaborative process to review funding, with a tentative deadline of December 2013 for
 completion of the project. The IC agreed with the proposed approach, with the caveat that the
 analysis should commence in a timely fashion.
- Canada subsequently distributed a preliminary source list of material to be reviewed in preparation for the analysis, and developed a questionnaire to gather board input. Updates on the progress of the project were provided in periodic conference calls.
- Canada stressed that once the analysis is complete, and a financial mandate is obtained, negotiation of board funding would begin. Additionally, Canada will map out options for discussion with the Parties.
- The project has taken substantially longer to complete than the Parties had initially anticipated, however good progress has been made and board funding negotiations are expected to proceed in 2016-2017.

Next Steps:

 Canada will advise the IC as the approval process for revisions to the board funding model advances.