



## 2024-2025 MINISTERIAL DIRECTIVE ON SUPPORT FUNDING FOR BUSINESSES AND COMMUNITIES IMPACTED BY BARGE CANCELLATIONS

Pursuant to Section 3 and Section 6 (4) of the Department of Industry, Tourism and Investment Grants and Contributions Policy (the Policy), I hereby issue the following directive to the Department:

### 1. Purpose

The Department shall issue a call for applications to provide one-time support funding to businesses and communities that have been directly impacted by the cancellation of the 2024 summer resupply barges, and evaluate the applications in accordance with the following principles:

- a. To help ensure continued access to essential goods and services and maintain economic stability in the impacted regions; and,
- b. To mitigate the unexpected economic impact of a sudden and severe interruption in the critical supply route.

### 2. Funding

Total funding provided under this Directive is up to \$1,800,000. The maximum funding available to any eligible entity is up to \$30,000.

### 3. Eligible Entities

Eligibility is restricted to the following entities that are located in the Sahtu and Beaufort Delta regions impacted by the 2024 barge cancellations, and have significant reliance on barge deliveries and/or can demonstrate historical reliance or cancelled shipping confirmations for 2024:

- a. businesses in the NWT that are registered and in good standing with the Government of the Northwest Territories Corporate Registries, and are in good financial standing with the Government of the Northwest Territories;
- b. non-profit organizations that make a significant contribution to the sustainability of the entire community by providing a basic or essential service in the interest of the community, including charitable organizations;
- c. community governments that are established under or continued by the *Charter Communities Act, Cities, Towns and Villages Act, Hamlets Act*, or any Designated Authority recognized by the Government of the Northwest Territories; and,
- d. the Gwich'in Tribal Council, Inuvialuit Regional Corporation or Sahtu Secretariat Incorporated.



#### 4. Application Process

The Department will issue a call for Contribution Funding applications and provide an application form, which will be submitted by applicants to the Regional Superintendent of the impacted region. Applications will close on March 7, 2025 or once the funding budget of \$1,800,000 is fully allocated to approved recipients.

#### 5. Supporting Information

The responsible Regional Superintendent, when issuing a call for Contribution Funding applications will provide the following information:

- a. The purpose of the funding, which is to offset some of the significant increases in shipping costs associated with using alternative modes of transportation;
- b. A link to an approved application form;
- c. A link to this Directive;
- d. The documentation required for the evaluation process;
- e. The timeline for the evaluation process;
- f. How the funding will be disbursed;
- g. The appeal process; and,
- h. Monitoring and reporting requirements.

#### 6. Evaluation Criteria

The responsible Regional Superintendent will use the following criteria to evaluate, and approve or deny an application for contribution funding:

- a. The application form is complete and the supporting information package is sufficient to evaluate the application;
- b. The applicant is an eligible entity;
- c. The applicant can demonstrate a significant reliance (more than 50% of annual shipments) on barge deliveries through historical documentation or cancelled invoices for the 2024 barge season;
- d. The request for funding is for up to 50% of the increase in shipping costs, where the increase is the difference between the shipping cost by barge and the least expensive alternative shipping cost, for goods deemed essential, which includes fuel for heating, food, medical supplies or construction materials;
  - i. goods not deemed essential may still qualify if they are important to the local economy and the applicant can demonstrate that without the good, it would result in job loss(es) or significant service level impacts;



- e. The applicant has provided copies of the original invoices for verifying the increase;
- f. The applicant can demonstrate why the shipment cannot wait to be transported by winter road or the applicant can demonstrate a significant difference between the shipping cost via barge and the least cost alternative mode (air or winter road) using clear documentation such as invoices or quotes; and,
- g. The applicant can provide evidence that the support is critical to its continued financial viability. This may include financial statements, cashflow projections, or other evidence showing that without the support, the business is at risk of closure or significant reduction in operations.

## 7. Evaluation Process

The responsible Regional Superintendent will:

- a. issue the call for Contribution Funding applications with all the required information and application form, and allow until March 7, 2025 for eligible entities to apply unless the funding budget of \$1,800,000 is fully allocated to approved recipients earlier;
- b. receive the applications and ensure the application form is complete and the required supporting documentation is sufficient;
- c. establish a panel that consists of at least two Government of the Northwest Territories employees;
- d. ensure that the panel evaluates the applications, within two weeks of receiving a completed application package, using the evaluation criteria and accountability requirements set out in this Directive, and clearly documents the evaluation and recommendation;
- e. review the recommendations from the panel and approve or deny the application for contribution funding;
- f. within one week of making the decision, issue a Contribution Agreement to the applicant(s) approved for funding, or when the application is denied, respond to the applicant(s) in writing with the decision and the rationale for denying the application;
- g. keep all records related to the evaluation process on file in accordance with the Government of the Northwest Territories records management authorities and procedures;
- h. comply with Section 6(2) of the Policy and Section 805 of the Financial Administration Manual; and,
- i. allocate funding on a first come, first served basis until the total funding amount is exhausted.



## 8. Appeal Process

The responsible Regional Superintendent will include the following information, consistent with Section 6(6) of the Policy, in the letter to an applicant that explains the decision for denying the application:

- a. Applicants may appeal an application decision that resulted in a denial of funding. An appeal can be pursued on the grounds that:
  - i. the applicant believes the provisions of the Directive were not fairly and adequately applied; or
  - ii. where new information has become available after submission to the responsible Regional Superintendent.
- b. Reasons other than (i) or (ii) above will not be considered grounds for an appeal.
- c. An appeal must be made in writing to the Deputy Minister within 30 days of the decision. The Deputy Minister may choose to delegate authority for reviewing an appeal.
- d. Once a decision is made by the Deputy Minister or delegated authority, the applicant will be notified in writing. Appeal decisions are final with no further levels of appeal.

## 9. Monitoring and Accountability

The responsible Regional Superintendent will make the following conditional to receiving the contribution funding as part of the Contribution Agreement, consistent with Sections 6(5), (7) and (8) of the Policy:

- a. The recipient for contribution funding agrees to report by May 31, 2025 on the impact of the contribution funding on its operations, specific to the objectives stated in their application form;
- b. The contribution funding is taxable;
- c. The recipient for contribution funding is responsible to account for funding received. This may involve granting the Government of the Northwest Territories access to audited financial statements. A recipient who fails to meet its commitments as outlined in the Contribution Agreement will be required to repay any amounts not accounted for; and,
- d. The Department will have the discretion to forward overdue receivables to the Corporate Credit and Collection division of the Department of Finance if amounts are outstanding or not accounted for. Considerations include:
  - i. the materiality of the amount;
  - ii. the reason, based on the best information available to the Department, for the failure to appropriately account.



Government of  
Northwest Territories

10. This directive takes effect immediately upon execution and remains in effect until June 1, 2025 to allow for reporting requirements.

October 4, 2024

Date

*Caitlin Cleveland*

Caitlin Cleveland  
Minister  
Industry, Tourism and Investment