

**MANAGEMENT FRAMEWORK FOR THE
COMPONENT 1 - SUPPORT FOR REGIONAL OUTREACH
OF THE FONDS RÉGIONS ET RURALITÉ (REGIONS AND RURALITY FUND)
FOR NORTHERN QUEBEC, EYYOU-ISTCHEE OR NUNAVIK SECTION**

Component 1 - Regional Outreach Support of the Fonds régions et ruralité (FRR), in a nutshell

Component 1 - Regional outreach support of the Fonds régions et ruralité (FRR) (Regions and rurality fund) is a program of the ministère des Affaires municipales et de l'Habitation. It covers all regions of Quebec, with the exception of the Capitale-Nationale and Montréal regions, for which other funds are planned. The funds will be used entirely to finance development projects aligned with the priorities determined by each region. The projects will bear the distinctive mark of regional outreach. Through this approach, the Gouvernement du Québec is placing its action at the service of the regions. This document presents the management framework for the Kativik “Nunavik” region, Nord-du-Québec

About regional outreach

Any project has a regional outreach if it has an impact on the territory of more than one regional county municipality (RCM (MRC)) or an equivalent municipal organization. Local projects carried out in several MRCs that contribute to the achievement of the same regional priority are also eligible. In this case, it is the sum of the projects, and not each project taken individually, which will have a regional influence

Nunavik which includes 14 Northern Villages: Kangiqsualujjuaq, Kuujuaq, Tasiujaq, Aupaluk, Kangirsuk, Quaqtaq, Kangisujuaq, Salluit, Ivujivik, Akulivik, Puvirnituq, Inukjuak, Umiujaq and Kuujuaaraapik.

Regional priorities and preferred actions

In each region concerned, a steering committee has been set up by the minister responsible for the region and the prefects of the MRCs (or mayors of equivalent organizations). This committee worked to establish the regional development priorities for the region. Each priority may be accompanied by actions to be favoured. The priorities and preferred actions of (name of the region) are presented on the Ministère's Web site.

Kativik “Nunavik” regional priorities corresponding to the criteria to achieve regional vibrancy include: airports operations, manpower training and development, civil security and fire prevention, adequate Internet services (Tamaani Internet), youth and women social economy enterprise, etc;

Regional priorities are established for several years, while the action to be favoured is a shorter-term target.

To be eligible for funding, a project must be consistent with a regional priority.

If it is also consistent with a preferred action, it will be more likely to be selected by the regional project selection committee.

The regional project selection committee

In addition to establishing regional priorities, the steering committee determined the composition of the regional project selection committee. The composition of KATIVIK “Nunavik” committee is available on the Ministère's Web site.

The mandate of the regional project selection committee is to prioritize and select projects to be supported under Component 1 - RMF (FRR) Regional outreach support. The Ministère is responsible for the administrative aspects of granting financial assistance: verifying that standards are met, financial assistance agreements with beneficiariess, payment of assistance granted and accountability.

It is also the committee that establishes the procedures for submitting projects and the region's specific selection criteria, which, if necessary, are in addition to the basic criteria. Finally, it may determine financial assistance rates or maximum amounts of financial assistance that are lower than those provided under Component 1 - Support for Regional Outreach of the FRR (RIF). This document incorporates the decisions made by the regional project selection committee.

Please note that the members of the regional project selection committee are bound by the following rules of conduct with respect to integrity, impartiality, confidentiality and project announcement.

They may not disclose in any way the content of the projects received or the analyses carried out. Only the general parameters of the projects and the funding granted will, where applicable, be made public. They must also ensure that they do not place themselves in a conflict of interest.

Specificities - Nord-du-Québec (add for executives in this region)

For geographic, cultural and legal reasons, Jamesie, Nunavik and Eeyou Istchee are separate entities for the management of Component 1 - Support for the outreach of the FRR (RIF) regions. Within these entities, projects must reach several communities.

Jamésie has a steering committee and a project selection committee. On their side, the Cree Nation Government and the Kativik Regional Government will submit projects for Nunavik and Eeyou Istchee directly to the Ministère. If necessary, the Eeyou Istchee James Bay Regional Government may also submit a project that has received the approval of the Cree Nation Government and the James Bay Regional project selection committee.

Eligible Organizations

The following organizations are eligible:

- Municipal organizations; (Nunavik: add "Northern villages")
- Private companies, with the exception of companies in the financial sector;
- Social economy enterprises, with the exception of enterprises in the financial sector;
 - o Any other non-profit organization or cooperative;
- Aboriginal Communities (Band Councils);
- Education network organizations;
- Legal entities wishing to start a private or social economy business.

However, an organization listed in the Registre des entreprises non admissibles aux contrats publics (Register of companies ineligible for government contracts) is not eligible. An organization in litigation with the Gouvernement du Québec or in default of its obligations to the Ministère may, depending on the nature of the litigation or default and the issues raised, be ineligible.

Eligible Projects

Component 1 - FRR (RIF) Regional outreach support contributes to the funding of eligible projects prioritized and selected by the Regional project selection committee, within the identified funding envelope and standards of Component 1 - FRR (RIF) Regional outreach support. The granting of assistance is conditional on the availability of funds.

Component 1 - Regional outreach support of the FRR (RIF) can also participate in the financing of sectoral development agreements between MRCs (RCMs) and government ministries or agencies, submitted by MRCs, that include the required clauses to qualify as an eligible project.

To be eligible, a project must contribute to the attractiveness of living environments or the development of businesses:

- A project contributes to the attractiveness of living environments if it improves the conditions related to the desire to stay in an area for tourism purposes, or to settle or remain there and contribute to its prosperity;
- A project contributes to the development of businesses if it aims to set up a new business or contribute to the growth of an existing business and the strengthening of social economy “collective”: enterprises of women and Youth of Nunavik.

To be eligible for a subsidy, the project must also:

- be carried out on the territory of the region;
- be consistent with a regional priority;
- have a regional scope and deemed strategic by the KRG Executive committee;
- obtain sectoral funding when a government program exists and an envelope is available, since the Component 1 - Regional outreach support of the FRR (RIF) must not replace existing programs, but rather complement them;
- not interfere with a government policy or a measure approved by the Conseil du trésor or the Gouvernement du Québec or cover an activity already funded by budgetary rules approved by the latter;
- comply with the legal and regulatory framework in force as well as applicable national or international agreements;
- not generate additional expenditures that could be induced for the government subsequently by its implementation or have major negative consequences for a sector of activity covered by the mission of a ministry or agency of the Gouvernement du Québec.

The Ministère will seek the cooperation of the other ministries involved in verifying the eligibility of projects, particularly with regard to the last three points mentioned above, since these are relatively technical, probably extremely rare, and the responsibility for this verification cannot rest solely with the applicant for financial assistance. Unless there are exceptional reasons, this verification will be expected within 15 working days.

For the purposes of Component 1 - Regional outreach support of the FRR, a project is defined as an initiative that is time-limited, one-time and non-recurring in nature, and does not include the ongoing costs that the organization must incur to remain in operation regardless of the volume of its activities..

Business relocations from other administrative regions of Quebec are not eligible.

Submission of project

Projects are submitted to the Kativik Regional Government – Regional and Local Development Department at Info@krg.ca

Project Evaluation

The regional project selection committee has adopted the following grid to evaluate eligible projects and determine which ones to select and prioritize:

- the matching with a preferred action, if any;
- the extent of regional influence, according to the number of territories benefiting from the project's spin-offs and the importance of these spin-offs in terms of users, clientele or employees benefiting from them;
- the importance of the economic spin-offs in terms of employment during and after project completion;
- the importance of the requested contribution in terms of the extent of regional influence;
- the importance of the requested contribution in relation to the contributions of other parties, including the beneficiary;
- the structuring aspect of the project:
 - because it takes place in an area with significant growth potential;
 - or because it removes barriers to development in that field;
 - or that it contributes to develop a lasting synergy between the actors for a sustainable improvement of a given situation;
- the quality of the financing plan: realism of the anticipated costs, contributions of the partners involved and applicable government programs, confirmation of the contributions;

- note that the applicant's financial contribution may also be indirect in the form of human or material resources, which must be accounted for financially;
- the quality of the project implementation plan: evidence of linkages between steps, activities, resources and targets;
- the quality of the governance structure: clear relationships between partners, established decision-making processes, a clear roadmap for the project director and project team.

Eligible Expenses

Eligible expenses are listed below.

- a) operating costs directly related to the project (salaries, rent, acquisition of materials and equipment, reporting).
- b) planning and study costs (salaries and professional fees) related to the development of the project:
 - the preparation of a business plan;
 - the evaluation of the opportunity of a project, including the market analysis of a project;
 - assessing the technical and financial feasibility of a project;
 - the definition and development of a concept;
 - programming of activities;
 - development and refinement of instruments or indicators to better measure a sector of activity, including traffic and economic impact studies related to projects..
- c) the construction, development, execution or implementation costs of the project.

Ineligible Expenses

Aid cannot be used to finance:

- the operating deficit of an eligible organization, the repayment of loans or the replenishment of its working capital, unless it is part of a recovery plan that is part of the project;
- expenditures made before the project's submission date;
- expenditures related to projects already completed;
- expenses already paid by the Gouvernement du Québec for the same project;
- any expenditure not directly related to the project;
- expenses related to administrative or financial support for the work of the regional project selection committee;
- any expenses for relocation of an enterprise coming from outside the administrative region;
- any grant to government administration, with the exception of educational network organizations;
- any expense related to activities governed by budgetary rules approved by the Gouvernement du Québec;
- any expenditure involving companies listed in the register of companies not eligible for government contracts;
- the refundable portion of taxes;
- any form of loan;
- any form of loan guarantee;
- any form of equity investment.

¹ For example, setting up issue tables or establishing new partnerships.

Rules for awarding construction contracts

When the project is intended to finance the execution of construction work entrusted to a third party, the organization eligible for financial assistance under Component 1, with the exception of a private company, must follow the provisions of the Act respecting contracts of public bodies (Loi sur les contrats des organismes publics) (RLRQ, chapter C-65.1, section 23). For contracts:

- less than \$25,000: by mutual agreement;
- from \$25,000 to \$101,099 inclusive: written invitation to at least three suppliers or contractors;
- \$101,100 and over: public tender.

For municipal agencies, education organizations or municipally mandated organizations, contracts of \$101,100 and over must be open to liberalization agreements.

A public tender is not required, on the advice of the Minister, when, due to an emergency situation where the safety of persons or property is at stake or where only one contractor is possible because of a security interest, property right or exclusive right.

Where the rules for awarding construction contracts of an eligible organization under the program are more restrictive than these rules, the organization must apply its own rules.

Amounts of aid and accumulation of financial aid

50% of eligible project costs and for projects deemed strategic by the KRG Executive Committee, up to 80% of project eligible costs.

Duration of financial assistance

A maximum of **five years** for the same project from the same beneficiary and its subsidiaries must be respected)

Submission of requests for assistance

In order for its request to be considered, the organization must:

- comply with the terms and conditions for the submission of projects established by the Regional selection committee, in addition to the conditions set out in the "Eligible Projects" section;
- elaborate a complete application form and transmit it to the regional branch of the ministère des Affaires municipales et de l'Habitation by electronic means. Consult the Ministère's Web site for all the information on how to submit an application.:
<https://www.mamh.gouv.qc.ca/developpement-territorial/fonds-et-programmes/fonds-regions-et-ruralite-frr/volet-1-soutien-au-rayonnement-des-regions/faire-une-demande/>
- demonstrate the need for use of Component 1 - Regional outreach support of the FRR (RIF) and provide the Ministère with the information required to inform the decision of the Regional project selection committee.

The organization may provide any other documentation deemed relevant in support of its application.

Decision

Successful applicants will receive a confirmation of the promise of assistance.

Applicants whose projects are not selected for funding will also be notified in writing by the Ministère.

Accountability

The selected projects will be the subject of a financial assistance agreement between the Ministère and the organization. Unless an exception is made, at the end of the project, the promote must submit a final report and a financial report on the project prepared by an accountant, in accordance with the specifics of Section 9100 of the Accounting Assurance Standards (Normes de certification comptable), or a report on a review or audit engagement of the organization including the project. The cost of producing this financial report is considered an eligible expense and can be claimed when the application is submitted.

Public Announcement

The selected projects may be the subject of a visibility protocol and a public announcement.

Information

If you have any questions about Component 1 - Regional outreach support of the RIF (FRR), please contact the Ministère's regional directorate or the Regional and Local Development Service of KRG.

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