



SUMMARY OF THE FORMATIVE EVALUATION OF THE NORTHERN ABORIGINAL ECONOMIC OPPORTUNITIES PROGRAM

May 2018

OVERVIEW

The evaluation was conducted to:

- Examine the harmonization, implemented on April 1 2014, of four distinct Aboriginal Economic Development programs into the Northern Aboriginal Economic Opportunities Program (NAEOP);
- Ensure program delivery aligns with the needs and expectations of Indigenous Northerners;
- Identify areas for improvement moving forward; and
- Meet Government of Canada accountability requirements around relevance, effectiveness and efficiency for contributions programs.

Covering a five-year period (from 2011/12 to 2015/16), the evaluation included a review of key documents developed and used to manage the transition from the four Aboriginal Economic Development programs to NAEOP, a review of administrative and performance data, a file review of funded projects, interviews with NAEOP funding recipients, external stakeholders and personnel from the Canadian Northern Economic Development Agency (CanNor). The evaluation also included visits to Iqaluit, Yellowknife, Whitehorse and Ottawa.

PROGRAM DESCRIPTION

NAEOP is intended to increase the participation of northern Aboriginal communities and businesses in economic opportunities. NAEOP is made up of two program funding streams:

- *A Community Readiness and Opportunities Planning (CROP) stream for First Nations and Inuit communities and organizations to help them plan for and participate in economic opportunities; and*
- *An Entrepreneurship and Business Development (EBD) stream to support Aboriginal entrepreneurs to establish or expand their businesses.*

Budget (contributions): \$10.8M/year

WHAT THE EVALUATION FOUND

- The NAEOP program continues to be relevant and aligns with the Government of Canada commitment to support economic development and job creation for Indigenous Peoples.
- Overall, the program harmonization has been successfully implemented as the previous four distinct Indigenous economic development programs have effectively been merged into NAEOP's two program funding streams.
- With NAEOP, there has been an increase in the number of Indigenous economic initiatives that receive multi-year funding for larger projects, which is a successful outcome of the transition because multi-year agreements reduce funding recipient administrative burden and allow for longer term planning.
- The transition also led to an increase from 20% to 30% in the proportion of business-based projects, which represents another success of the transition as it intended to provide additional opportunities for Indigenous businesses.



- Although most of the transition deliverables have been implemented, some have not been fully completed. As a result, additional work is needed to further improve program delivery and efficiencies for funding recipients.
- The transition to NAEOP was also associated with a transition from allocation-based funding (core funding) to project-based funding. The evaluation found that the project-based approach had been insufficiently developed by CanNor to ensure that it met the needs of Indigenous Economic Development Organizations in pursuing economic opportunities to benefit the communities and businesses they support.
- Moving forward, better performance indicators, data collection tools and program performance information are also needed to provide additional insights into NAEOP's economic impact for Northern Indigenous communities, organizations and businesses.

WHAT WAS RECOMMENDED

The evaluation's findings led to specific recommendations for program improvement:

1. Develop an updated Transition Plan to complete the implementation of NAEOP.
2. Use the updated Transition Plan to complete the implementation of NAEOP from an effectiveness (i.e. to achieve better results) perspective.
3. Use the updated Transition Plan to complete the implementation of NAEOP from an efficiency (i.e. to reduce administrative burden) perspective.
4. Maintain core-funding to the Indigenous Economic Development organizations until a workable proposal-based funding approach or other alternative is developed.
5. Develop a Performance Measurement Strategy (i.e. a Performance Information Profile) that is results-based and which focuses on program results and not administrative outputs.
6. Develop new and update existing operational procedures, interpretations, guidelines and controls reflecting the transition to NAEOP.
7. Develop reporting templates linked to the performance indicators in an updated Performance Measurement Strategy (i.e. a Performance Information Profile).

WHAT WAS CANNOR'S RESPONSE

CanNor agreed or partially agreed with all of the recommendations and developed a response that explains how these recommendations will be implemented. Additional details can be found at the following link:

[Management Response and Action Plan \(MRAP\)](#)