

## Eligibility for the NNI Business Directory

Eligibility is determined by the Regional Qualification Committee on a case-by-case basis; however five main points apply:

- 51% of the voting share of a business must be beneficially owned by Nunavummiut (Nunavut Residents).
- Majority control of the company must be held by Nunavummiut.
- A Nunavut Business must undertake the majority of its management and administrative functions related to its Nunavut operations in Nunavut, and
- A Nunavut Business must maintain a registered office in Nunavut
- A Nunavut Business must maintain a Resident Manager capable of undertaking all aspects of the management of the Nunavut operations (this requirement may be waived by the GN in the case of a newly appointed Resident manager)

**Note:** a Nunavut based business must receive designation as a Nunavut Business two weeks prior to the closing of a RFP or tender, in order to receive the adjustment.

*\* An Inuit Firm does not have this requirement. (An Inuit firm registered the day of closing still qualifies for the applicable Inuit Business status adjustments.)*

(for more info, see the definition of ‘Nunavut Business’ in Appendix ‘A’ of the NNI Policy)

***-Produced in consultation with Nunavut Tunngavik Inc-***

### For more information

Contact the NNI Secretariat at 1-888-975-5999  
Or visit [www.nni.gov.nu.ca](http://www.nni.gov.nu.ca)

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Pivalliyuliqiyikkut Ingilrayuliqiyitkullu  
Department of Economic Development and Transportation  
Ministère du Développement économique et des Transports

## -NNI Policy In Plain Language-

### Origin

The NNI Policy is the Government of Nunavut’s preferential procurement policy, developed cooperatively by the Government of Nunavut (GN) and Nunavut Tunngavik Incorporated (NTI).

The NNI Policy was created out of two documents: Article 24 of The Nunavut Land Claims Agreement (NLCA) and the Business Incentives Policy (BIP) of the Northwest Territories (NWT).

Article 24 of the NLCA outlines the Government’s obligations to Inuit and Inuit Firms with regards to government procurement.

The BIP was the Nunavut’s preferential contracting policy until the implementation of the Nunavut-specific NNI Policy on April 1, 2000. The NNI Policy retained incentives for Local and Northern business and labour from the BIP.

The NNI Policy is the combination of these two documents and as such creates incentives for the use of Local, Nunavut and Inuit businesses and labour.

This document exists as a plain language explanation only; for legal purposes refer to the applicable acts, policies, and regulations.

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## Bonus and Penalties

Bonus and Penalties are applied to Construction Contracts but may be applied to other contract types according to the contract documents.

At the completion of a contract, bonus or penalties are applied; depending on whether the contractor failed to meet, or exceeded the Inuit labour content they committed to. The bonus and penalties are calculated as follows:

For each 1% the contractor exceeded the committed Inuit labour amount, a bonus of 1% of the total labour value of the contract is awarded

For each 1% the contractor fails to meet the committed Inuit labour amount, a penalty of 2% of the total labour value of the contract is applied.

An additional 2% bonus is applied if an Inuk Nunavut resident is employed as the project manager. 3% if the Inuk project manager is also local to the subject community of the contract.

The total penalties or bonuses will not exceed 25% of the total labour portion of the bid.

(for more detail see Section 12 of the NNI Policy)

## Appeals Process

Appeal on an awarded contract should first be made, by way of a challenge, to the Contracting Authority. (within 5 business days of the award announcement)

An appeal of an awarded contract, by an unsuccessful Bidder or Proponent may be made to the *NNI Contracting Appeals Board* on the grounds that the Contract Authority, in awarding the contract, has erred in the application of the NNI Policy.

An unsuccessful Bidder or Proponent has 15 business days from the award of the contract to submit a written appeal to the Secretary of the *NNI Contracting Appeals Board*.

(for more detail see Section 18 of the NNI Policy)

## NNI Secretariat

The NNI Secretariat is a division of the Department of Economic Development & Transportation. The Secretariat oversees the implementation of the NNI Policy. The NNI Secretariat, working closely with NTI, is responsible for the NNI Policy’s long term development.

The Secretariat also maintains the *NNI Business Directory*. In that role the NNI Secretariat is supported by regional offices, and a Community Economic Development Officer in each community.

Community Economic Development Officers (CEDOs) are municipal employees located in every community in Nunavut. CEDOs can assist in completing applications and renewals for the *NNI Business Directory*; they can also perform Business site visits as part of the application process.

The NNI Secretariat acts as the regional office in the Qikiqtaaluk Region, but is supported by two separate regional offices, one in the Kivalliq and one in the Kitikmeot. The role of the regional offices is to review new applications and renewals to determine if they qualify for inclusion in the *NNI Business Directory*.

## Contracting Policies for within Territorial Parks

Park-specific procurement is additionally subject to Article 8 of the NLCA and the Umbrella Territorial Parks Inuit Impact Benefit Agreement.

Because of this, preferential procurement policies within the park are handled differently than those outside the parks.

For information on parks-specific procurement contact the Parks & Conservation Areas Division of the Department of Environment.

## Business Status

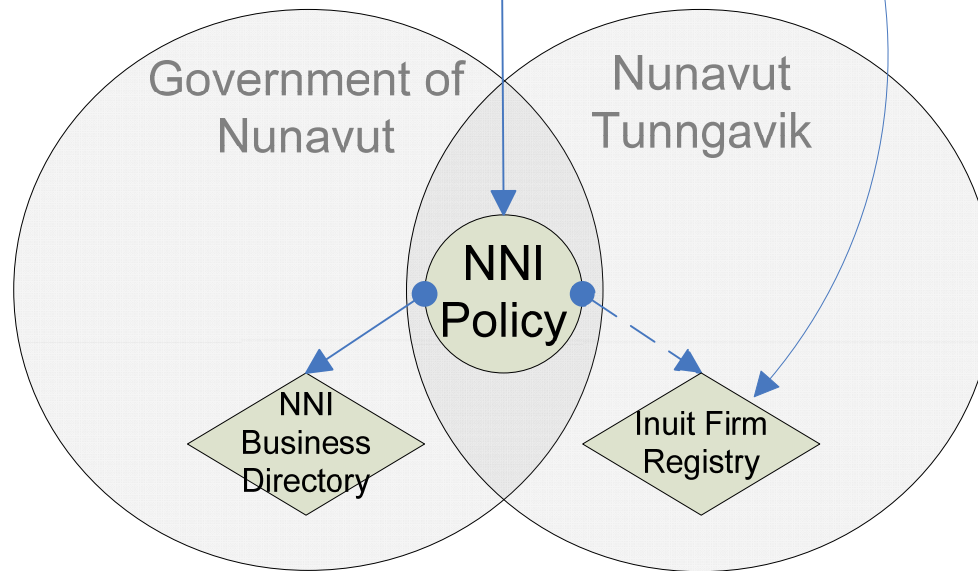
In order to determine Inuit and Nunavut Business status, two databases exist: the *Inuit Firm Registry* (NTI) and the *NNI Business Directory* (GN)

The *Inuit Firm Registry* is a list of approved majority Inuit owned businesses. The registry was created by Article 24 of the NLCA; the requirement is for Nunavut Tunngavik Incorporated to maintain the registry. A copy of the *Inuit Firm Registry* can be found at [www.inuitfirm.com](http://www.inuitfirm.com). The *Inuit Firm Registry* is used by Contract Authorities to determine *Inuit Business* status.

The *NNI Business Directory* is a list of all majority Nunavut owned and based businesses that qualify under the NNI Policy. The *NNI Business Directory* can be found at [www.nni.gov.nu.ca](http://www.nni.gov.nu.ca) and is maintained by the Government of Nunavut's NNI Secretariat. The *NNI Business Directory* is used by Contract Authorities to determine *Nunavut Business* status.

*Local Business* status exists when the business in question is on the *Inuit Firm Registry* AND/OR the *NNI Business Directory*; AND is local to the subject community for the contract. For further information on qualifying as Local please see the NNI Policy section 11.1 (g) (i) and (ii).

## Nunavut Land Claims Agreement (Article 24)



### NNI Business Directory

**The NNI Business Directory is maintained by the GN's NNI Secretariat**  
 --Inclusion on this registry results in the 7% *Nunavut Business Status* adjustment on tenders and the price portion of RFPs.

The *NNI Business Directory* can be found at [www.nni.gov.nu.ca](http://www.nni.gov.nu.ca)

### Inuit Firm Registry

**The Inuit Firm Registry is maintained by Nunavut Tunngavik Inc. (NTI)**  
 --Inclusion on this registry results in the 7% *Inuit Firm Status* adjustment on tenders and the price portion of RFPs.  
 --This Registry is also used to determine *Inuit Ownership* for the *Inuit Content* portion of RFPs  
 A copy of the *Inuit Firm Registry* can be found at [www.inuitfirm.com](http://www.inuitfirm.com)

### Note:

The 7% *Local Business Status* adjustment on tenders (and the price portion of RFPs) is awarded when the business is on the *Inuit Firm Registry* AND/OR the *NNI Business Directory* AND is local to the subject community  
 A *Local Business Status* adjustment can also be awarded to a non-local business; see Section 11.1(g) of the NNI Policy

The Labour component of a tender is not adjusted based on business status but on the individual status of the workers

## Incentives

For Government contracts done through a *Request for Tender* process the adjustments are as follows:

- 7% bid adjustment for *Inuit Business* status
- 7% bid adjustment for *Nunavut Business* status
- 7% bid adjustment for *Local Business* status

For Government contracts done through *Request for Proposals* (RFPs), the NNI Policy outlines that at minimum 15% of the evaluation criteria must be devoted to Inuit Content (10% for Inuit labour requirements and 5% for use of Inuit Firms). For RFPs with clear cost criteria, the bid adjustment levels for tenders will be applied to the price portion of the evaluation as well.

The adjustment for the labour component of tenders is calculated based on the worker's individual residential (Local/Nunavut) and Beneficiary (Inuit) status. The bid adjustments on all non-labour components of a Tender are calculated based on the Business' status.

Bid adjustments are calculated for contracts, sub-contractors, and suppliers. (For more information see Sections 11 and 12 of the NNI Policy)