

THIS MEMORANDUM OF UNDERSTANDING is made this 30th day of September 2017, in the Province of Newfoundland and Labrador.

BETWEEN: **The Department of Tourism, Culture, Industry and Innovation**
(the “Department”) represented by the Minister.

AND: **The Newfoundland-Labrador Federation of Co-operatives, a**
Co-operative organized and existing under the *Co-operatives Act*
(the “Federation”)

WHEREAS the Parties have come together and agreed to enter into a partnership to promote, encourage and support the development of co-operative and small business enterprise throughout the province, particularly in rural and remote communities.

WHEREAS this document is intended to define and clarify the developmental partnership between the Department and the Federation in pursuit of common business and economic goals throughout the province, particularly in rural communities.

AND WHEREAS the Parties wish to put their plans and objectives in writing and hereby do so.

THEREFORE, this Memorandum of Understanding witnesses that the Parties have agreed that the purpose of this Memorandum of Understanding is to renew and enhance the developmental partnership between the Department and the Federation by clarifying roles and responsibilities in the delivery of joint programs and services. Specifically, the Parties will work together to jointly address the following:

1. Research and Opportunity Identification

Both parties agree to put special emphasis on identifying new opportunities for co-op development in targeted business sectors which may include innovation and technology, agriculture and aquaculture; tourism and culture; rural and community services; and the environmental and social enterprise sectors. Each party agrees to the following:

A. Government will:

- i. Provide resource support for the Federation to research the potential for co-op development in targeted business sectors.
- ii. Work with the Federation to facilitate information sharing regarding sector focused co-op development opportunities with industry organizations, government departments and other stakeholders.
- iii. Assist new co-op development initiatives which emerge from this process through the support services made available through this MOU and other existing government programs, subject to project eligibility criteria.

B. The Federation will:

- i. Allocate available resources and provide overall coordination for the sector based research and opportunity identification approach.
- ii. Facilitate the engagement and support of its member co-ops and credit unions and its national co-op sector network as an essential element of the process.
- iii. Conduct information sessions and presentations on research findings and potential next steps in the co-op development process for business sector organizations, government and other stakeholders.
- iv. Assist new co-op development initiatives that may emerge from the research and opportunities process in partnership with the provincial government, as outlined in this MOU.

2. Co-op Development NL

Enhance the engagement of the Department's staff in building stronger working relationships with existing co-ops and credit unions and to ensure the continued availability of support services for newly developing co-ops, in partnership with NLFC. Regarding Co-op Development NL, each party agrees to do the following:

A. Government will:

- i. Ensure all departmental Economic Development Officers (EDOs) are equipped to promote, facilitate and support co-operative enterprise development to proactively advance development opportunities throughout all regions.
- ii. Participate with the Federation to facilitate a greater awareness and understanding among Department staff, and other departments and agencies, of the potential for the co-operative option to support economic development in the province.
- iii. Participate with the Federation in the provision of co-operative information and development advice for existing co-operatives and credit unions, community development organizations, and others considering or pursuing the development of co-operative enterprises.
- iv. Increase site visits by Department staff to co-operatives and credit unions in their local areas.
- v. Assign an Economic Development Officer in corporate office to coordinate an annual work plan with NLFC which supports this MOU and provide advisory support to Department staff and clients for development projects and new initiatives.
- vi. Arrange semi-annual meetings including TCII, Service NL and NLFC to discuss legislation, compliance issues, and ongoing processes and requirements for the registration of co-operatives in Newfoundland and Labrador.
- vii. Engage existing co-operatives in the Business Retention and Expansion diagnostic process, as requested.

- viii. Ensure consideration of the co-operative business model in various government initiatives such as the Department's Social Enterprise Action Plan and review of business financing.

B. The Federation will:

- i. Provide network members with ongoing training, information, resource materials, research support services and advisory support.
- ii. Identify sources of financial and technical support, at both the provincial and national levels, to support the activities of Co-op Development NL.
- iii. Provide overall leadership and coordination in maintaining a dynamic and active network for Co-op Development NL.
- iv. Maintain linkages with the national co-operative developers' network to ensure the availability of co-op development information to support the activities of Co-op Development NL.
- v. Enhance awareness of the activities of Co-op Development NL amongst existing co-ops and credit unions and support their engagement in co-op development initiatives.

3. Co-operative Development Training Modules

Regarding the delivery of Co-operative Development Training Modules for training purposes, each party agrees to do the following:

A. Government will:

- i. Provide financial assistance for facilitation of the co-operative development training modules through its Community Capacity Building Program for delivery throughout the province.
- ii. Ensure facilitators assigned to deliver co-operative development modules have expertise in co-operative development.
- iii. Promote and encourage, within government and the community economic development sector, participation in co-operative training opportunities provided by delivery of the modules.

- iv. Organize co-operative development training sessions within the Department and with other line departments.
- v. Ensure updated modules and supporting material is available on the Department's website.

B. The Federation will:

- i. Continue to develop and update the co-operative development training modules and other training materials for the Community Capacity Building Program, and assist in co-operative training activities where necessary.
- ii. Evaluate and revise training modules to ensure the learning and informational needs of communities and co-operative groups are addressed.
- iii. Support the Department's efforts in the facilitation of the co-operative development sessions for line departments.

4. Co-operative Development – Business Financing

With regards to co-operative development and business financing, each party agrees to do the following:

A. Government will:

- i. Maintain its financial investment and participation in the Co-operative Development Fund Corporation and use it to leverage financing from national funding sources and to facilitate the provision of investments in eligible co-operatives.
- ii. Work with the Federation to finalize a review of the current Equity Fund and launch a revamped program by January 2018, which aims to address financing gaps and other needs of the sector.
- iii. Promote the fund and assist co-operatives with the application and approvals process.

- iv. Explore partnership opportunities with credit unions and the Federation in developing financial investment initiatives to support co-op and social enterprise development.

B. The Federation will:

- i. Maintain its financial investment in the Co-operative Development Fund Corporation to facilitate the provision of investments in eligible co-operatives in the province.
- ii. Administer the fund at the provincial level, including the application and approval process.
- iii. Maintain a five (5) person board of directors to oversee the Co-operative Development Fund Corporation operation.
- iv. Work with the Department to finalize a review of the current Equity Fund and launch a revamped program by January 2018. The new program will address financing gaps and other needs of the sector.

5. Public Awareness and Support

Both parties agree to identify and implement promotional initiatives that will contribute to the growth and success of the province's existing co-ops and credit unions and encourage public engagement in the development of new co-op enterprises to support business growth in rural communities throughout Newfoundland and Labrador. Each party agrees to the following:

A. Government will:

- i. Continue to articulate the positive contribution co-ops and credit unions are making to the economic and social development of the province as part of its policy development and planning processes.
- ii. Identify and profile co-ops and credit union success stories within the context of the Department's Business Innovation Agenda, Regional Innovation Systems pilot projects, and Social Enterprise Action Plan to promote business innovation and entrepreneurship, particularly in rural areas.

- iii. Assist the Federation to increase awareness of the benefits associated with co-op and credit union membership amongst targeted population sectors, which may include women, new Canadians, Indigenous peoples and youth.
- iv. Ensure linkages with the Department's social enterprise activities including information and awareness sessions with key stakeholders.

B. The Federation will:

- i. Continue to use its newsletter, web site and media communications to promote the co-op and credit union sector as a key component of the province's community economic development process.
 - ii. Provide information and advice, on an ongoing basis, regarding government initiatives to enhance public awareness and support for the co-op and credit union sector in the province.
 - iii. Maintain its engagement in supporting Co-op Week and Credit Union Day at the provincial level and encourage the involvement of its member co-ops and credit unions at the local level.
 - iv. Continue to engage with Co-operatives Mutuals Canada, the Co-operators and Atlantic Central to build additional partnership support to achieve the goals and objectives of this MOU.
6. The Parties agree to meet once each fiscal year to review this Agreement and to assess the activities and actions undertaken by both parties, including the development of an annual work plan with specific deliverables and timelines. The term of this MOU is five years commencing from the date of signing.
7. The Parties have agreed that this MOU is an expression of a mutual agreement and is not binding or intended to have legal consequences for either of them.

8. (i) Contact information for the Department's representative is:

Director, Regional Economic Development
Department of Tourism, Culture, Industry and Innovation
P.O. Box 8700
St. John's, NL A1B 4J6

(ii) and for the Federation, the contact information is:

Mr. Glen Fitzpatrick
Managing Director
Newfoundland and Labrador Federation of Co-operatives
P.O. Box 13369, Station A
St. John's, NL A1B 4B7

DATED in the Province of Newfoundland and Labrador, this 30th day of September 2017.


Witness


Christopher Mitchelmore

Minister
Department of Tourism, Culture, Industry and
Innovation


Witness


Gail Pike
Chairperson

Newfoundland-Labrador Federation of Co-operatives