

## LA PAIX DES BRAVES

La Paix des Braves is a new agreement between the Crees and the Inuit signed in February 2002. It is a modernized agreement of the James Bay Agreement signed in 1975 and it is called:

Agreement concerning a New Relationship

Between

Le Gouvernement du Québec

And

The Crees of Québec

The main objective of this nation-to-nation agreement was to strengthen the political, economic, and social relations between Québec and the Crees and the agreement is characterized by a new cooperation, partnership, and mutual respect while remaining based on each party's respective commitments under the original James Bay and Northern Québec Agreement signed in 1975.

The agreement is based on a development model that relies on the principle of sustainable development partnership and respect for the traditional way of life of the Crees as well as on a long-term economic development strategy.

Talking about long-term economic development and benefits, the agreement describes in detail the funding amounts involved in the new agreement and its indexation formula over a 50-year period.

The formula works this way. Annual payment from Québec for the first three (3) financial years shall be:

- a) for the 2002-2003 financial year: twenty-three million dollars (\$23 million);
- b) for the 2003-2004 financial year: forty-six million dollars (\$46 million);
- c) for the 2004-2005 financial year: seventy million dollars (\$70 million).

For each subsequent financial year between April 1<sup>st</sup>, 2005 and March 31<sup>st</sup>, 2052, the annual payment from Québec shall be the greater of the two (2) following amounts:

- a) Seventy million dollars (\$70 million); or

- b) an amount corresponding to the indexed value of the amount of seventy million dollars (\$70 million) as of the 2005-2006 financial year in accordance with formula that reflects the evolution of the value of hydroelectric production, mining exploitation production, and forestry harvest production in the Territory.

Value coming from mining exploitation represents the sum of the total value of mining exploitation extraction shipments in a calendar year for each mine operation in the territory as reported to the government for the purpose of mining royalties. In other words, the mining royalties received by the Québec government as mining taxes from those mining operation will be shared with the Crees Nations.

So over a period of 50 years it is an estimated value of between 3.5 and \$5 billion in revenues coming from the territory that will return to the First Nations from the Québec Funds rather than from the companies involved in the territory.

Furthermore, among other things, under the “Paix des Braves Agreement” Québec has committed to promote and facilitate the participation of the Crees of the James Bay area in mineral exploration activities in the territory.

Then under the agreement several new initiatives were put in place including:

1. Creation of the “Cree Mineral Exploration Board”. The role of this corporation is to
  - a) assist the Crees in accessing mineral exploration opportunities;
  - b) facilitate the development of mineral exploration activities by Cree enterprises;
  - c) facilitate and encourage the access by the Crees and Cree enterprises to regular Québec funding programs and other incitements to mineral exploration activities;
  - d) act as an entry mechanism for offers of services by Crees and Cree enterprises in the field of mineral exploration.

Since its creation, the Cree Mineral Exploration Board has already contributed to increase and improve both the number of deals and the relationship between the mining industry and Cree communities.

The Cree Mineral Exploration Board helped financially several Cree exploration companies in order for these companies to put forward exploration programs or to sign joint-venture agreements with other mining companies. So the Cree Mineral Exploration Board is also a fund helping Cree companies to finance their share of exploration programs.

The Cree Mineral Exploration Board is currently assisting the first Cree mineral company to go public. It is also involved in training and job assistance, as well as in assisting prospectors and entrepreneurs with technical expertise since they hired geologists for that task.