



Indigenous Growth Fund Makes First Investment of \$10 Million

March 7 Ottawa, ON – IGF Inc. is pleased to announce the Indigenous Growth Fund’s first portfolio investment of \$10 million. The Indigenous Growth Fund, a \$150 million fund managed by the [National Aboriginal Capital Corporations Association](#), is delivered by [Aboriginal Financial Institutions](#) across the country. The IGF advanced the first funds to the [Nuu-chah-nulth Economic Development Corporation](#) (NEDC), an Aboriginal Financial Institution (AFI) located on Vancouver Island, to provide loans to Indigenous small and medium sized businesses.

Jean Vincent is the Chair of the Board of IGF Inc. “Indigenous businesses are hungry for capital,” he says, “and so many of our business owners have great potential. That’s why our network pressed for creation of the IGF.” The Fund’s initial investors are the Business Development Bank of Canada, the Government of Canada, Export Development Canada, and Farm Credit Canada.

Al Little, General Manager of the NEDC, agrees. “The whole island has a lot of opportunities,” Al says. Founded by the fourteen Nuu-chah-nulth tribes in 1984, NEDC is one of the most active members of the Aboriginal Financial Institutions network. Additional capital from the IGF will allow NEDC to provide financing to smaller business clients, while also serving First Nation clients with much larger capital needs.

“In our case, we’re building a facility,” says Aunalee Boyd-Good, co-owner with her sister Sophia of [Ay Lelum](#), hul’q’nmi’num for the “Good House.” Located in the Snuneymuxw First Nation, Ay Lelum’s fashion design business now operates from the homes of family members. “This building is going to be an absolute game-changer for us,” says Aunalee, “a space where our family can create, manufacture, welcome customers, do workshops, fittings, everything.” Although the business has been successful for years, the sisters found it impossible to obtain financing from conventional lenders because the business is located on reserve.

Lyndsey Bell, a returning NEDC client, owns [Bigfoot Donuts](#) in the City of Courtenay on Vancouver Island. She and her co-owner husband are also using their loan to purchase a new space. Their business is in food services, a sector that lenders see as high-risk. A former banker with degrees in finance and First Nations studies, Lyndsey knows that a conventional lender would not have provided financing – despite her business’s great success. A bank would require personal property, usually a home, as collateral to cover the loan for a business such as Bigfoot Donuts. NEDC, by contrast, “has been completely on side and they’ve been able to make this possible for us.”



It's a similar story for the [HFN Group of Businesses](#), the business arm of the Huu-ay-aht First Nations. Whether it's a tourism and hospitality, retail, forestry, construction, or gravel project, CEO Patrick Schmidt says that NEDC is their lender of choice. Self-governing since 2011, the First Nation's latest venture is oyster seeding, a joint project with a local expert in Bamfeild.

"We presently have about a million oysters in the water, next year we want three million, and the following year we plan to get up to 10 million," Patrick says. The new business aims to produce high-quality seafood as efficiently as possible and eventually export it to the world. NEDC has provided a large line of credit to help finetune and scale up their production process. "It would be really tough to get a conventional lender to engage," Patrick says. "In the case of NEDC, I was able to take the loan officer down to the farm and spend a day walking through each step of the production process and business model."

What enables NEDC to take on clients that other lenders would not? Like all Aboriginal Financial Institutions, NEDC has a mandate for developmental lending to Indigenous businesses specifically. It uses its knowledge of the region and the individual entrepreneurs to assess a project's risk. "We are sort of a mix of different things," says Al, "we don't operate as a bank, we're not set to compete with a bank in any way. But a lot of the practices may be similar." And their default rate speaks to their success. "Our default rate over thirty-some odd years to the First Nations themselves is zero," Al says. "We haven't lost a penny."

A further plus: the IGF is managed nationally by NACCA, the same Indigenous-led organization that Aboriginal Financial Institutions founded to represent them in 1997. NACCA also understands the unique nature and values of Indigenous businesses. With the IGF now investing in AFIs across the country, more Indigenous businesses will obtain the capital they need to achieve their visions.

As for Vancouver Island, the benefits are arriving already. Bigfoot Donuts plans to double its current staff of six and expand its savoury offerings to the Comox Valley. As the number of oyster increases, venture plans to consistently add more positions to its current staff of six. The HFN Group of Businesses hope to create not simply jobs, but "careers of a certain calibre" for graduates of the local college's aquaculture program, says Patrick. Ay Lelum is a source of pride for the Snuneymuxw community. With full support from their First Nation, the sisters feature Coast Salish stories and local models to show their fashions. "We are bringing our culture forward and being there in a beautiful way to show that our culture is very much living," says co-owner Sophia Seward-Good. "It really is a miracle to show what we are doing."



About The Indigenous Growth Fund

The Indigenous Growth Fund (IGF) is a new \$150M investment fund, under the management of the National Aboriginal Capital Corporations Association (NACCA), that will provide access to the capital that Indigenous small- and medium-sized enterprises (SMEs) have long sought and lacked. Indigenous entrepreneurs across all industries will be able to access the Fund via business loans from a network of Aboriginal Financial Institutions (AFIs) throughout the country.

Lead investments in the IGF come from the Government of Canada and the Business Development Bank of Canada (BDC), with further commitments made by Export Development Canada (EDC) and Farm Credit Canada (FCC). The structure relies on AFIs' ability to deploy capital based on their unique understanding of, and connection to, the communities they serve.

For more information about the Indigenous Growth Fund, please visit our webpage at <https://nacca.ca/igf/>.

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