TOPLINE BRIEF

Building a Conservation Economy: First Nations Leverage Funding to Invest in Coastal Economic Development

ECONOMIC DEVELOPMENT FUND IMPACT: 2008 TO 2024

In the Great Bear Rainforest and Haida Gwaii, First Nations have built a strong, diversified conservation economy that creates family-supporting jobs, attracts investment, and enriches the broader regional and provincial economy.

Collectively, 27 First Nations have leveraged $61.4 million through an Economic Development Fund (EDF) administered by Coast Funds from 2008 to 2024 – and have contributed and attracted a further $193 million for a collective investment of $254 million (or $316 million, when adjusted for inflation) in businesses, community infrastructure, and economic development.

Following the close of the fund, Coast Funds commissioned an economic impact analysis, which shows that, over 17 years, First Nations' EDF-supported economic spending has generated:

- **$808 million** in added value,
- **$331 million** in household income, and
- **$1.77 billion** in gross output.

PHOTO
Kitasoo Seafoods / Brodie Guy

BACKGROUND

Great Bear Rainforest Agreements

For tens of thousands of years, First Nations in the Great Bear Rainforest and Haida Gwaii have cared for and relied upon the abundance of the lands, waters, and life in their territories. Using their knowledge of ecosystems and seasonal cycles, First Nations people harvested sustainably, established thriving trade networks, and developed complex cultures and stewardship traditions.

With colonization, First Nations' economic, cultural, and stewardship traditions were interrupted. Settler-owned logging companies, mills, fishing fleets, and canneries extracted from the wealth of the forests, rivers, and oceans at a rapid pace, offering little benefit to First Nations, whose communities endured extensive cultural, social, and economic harm.

In the 1990s, tensions rose as First Nations made stands in their territories to protest the pace of industrial logging, which threatened to destroy much of the remaining temperate rainforest.

To protect their territories and build a more sustainable local economy, First Nations worked with environmental groups and funders, Crown governments, and forestry operators to enact the *Great Bear Rainforest Agreement* (2006) and *Haida Gwaii Land Use Objectives Order* (2010), and to secure long-term funding for conservation and economic development.

As an outcome of these Agreements, Coast Funds was established in 2007 and entrusted with $56 million from private funders for a Conservation Endowment and $60 million from Crown governments for an Economic Development Fund, allocated between 27 participating First Nations. Between 2008 and 2024, First Nations used Economic Development Funding to invest $61.4 million in businesses, community infrastructure, and regional economic development.

PHOTOS

Left: Nuxalk stand at Ista *King Island* / Greenpeace.

Right: Great Bear Rainforest Agreement announcement / Province of BC

COMMUNITY WELL-BEING OUTCOMES (2008 - 2024)

144

Businesses created, acquired, or expanded.

504

Partnerships formed, including 115 project partnerships between First Nations.

$152.1M

Invested in new or improved infrastructure.

1,794

People received training over 23,493 days.

Source: coastfunds.ca/outcomes

KEY FINDINGS

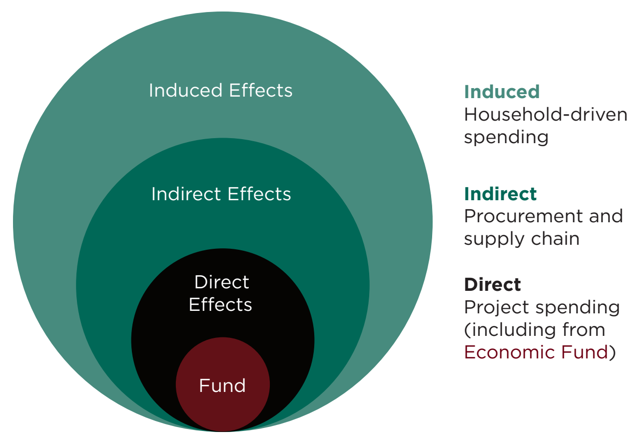
Economic Impact Analysis

Following the successful spend-down of the Economic Development Fund, Coast Funds commissioned an independent analysis from Big River Analytics, which used a provincial-level input-output model to analyze First Nations' project spending by sector and trace monetary flows through the broader economy.

Big River Analytics' reporting tracks First Nations economic impact across three layers:

- Direct effects, generated by project spending
- Indirect effects, supported by procuring supplies and labour within British Columbia
- Induced effects, supported by household spending from income earned

ECONOMIC EFFECTS



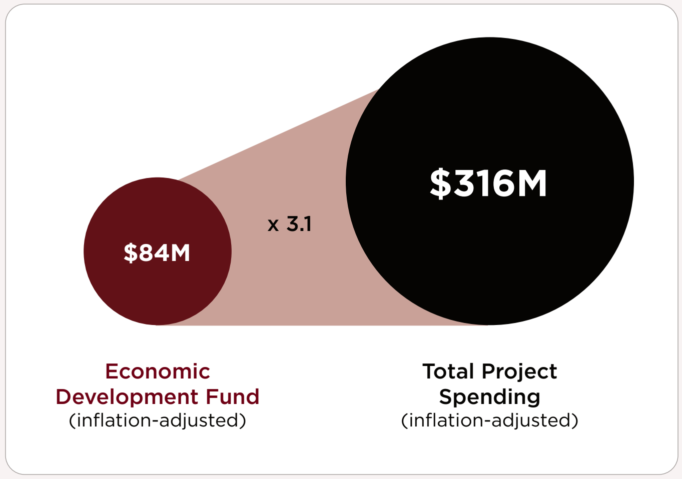
Note: This analysis is limited to projects that have been supported through the Economic Development Fund administered through Coast Funds and does not include First Nations' projects supported through other funds held at Coast Funds (e.g. Conservation Endowment, Renewable Energy for Remote Communities), nor does it include the many initiatives First Nations have led without accessing funding through Coast Funds.

PHOTO
Taan Forest / Haida Enterprise Corporation (HaiCo)

Leveraging the Economic Development Fund, First Nations have contributed and attracted additional financing, tripling direct investment in their projects.

First Nations have raised and contributed $193 million of additional investment in their projects – **3.1x more** than the $61.4 million accessed through the Economic Development Fund (EDF) – for a total direct project investment of $254 million, or $316 million in 2024 inflation-adjusted dollars.

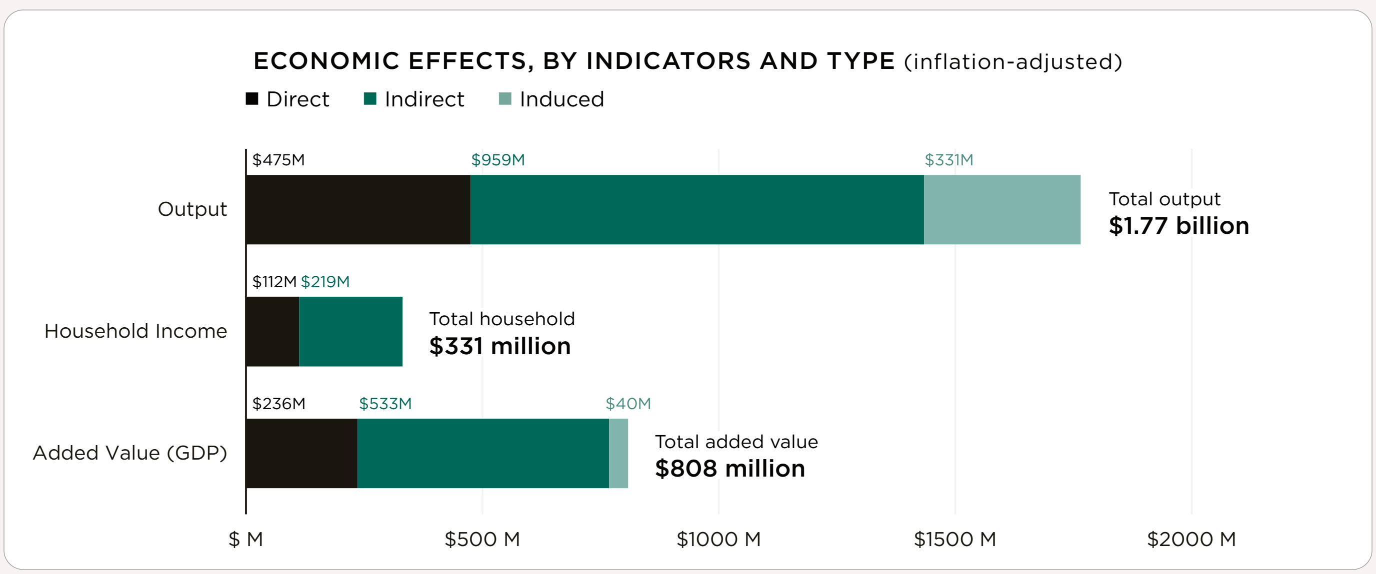
First Nations' project spending supported business startups and acquisitions, establishment of economic development corporation, and construction of strategic infrastructure which, in turn, have supported subsequent rounds of economic activity.



First Nations' economic development projects generated $1.77 billion in gross output – or $5.61 in output for every $1.00 of direct project spending.

Through EDF-supported projects, First Nations have procured supplies and services locally, creating both direct and indirect employment and economic impacts that induce economic activity throughout the province. Between 2008 and 2024, **First Nations' project spending ($316 million) has, in turn, generated $1.77 billion in total gross output, $808 million in added value to GDP, and $331 million in household income**.

On an average annual basis, this translates to $48 million in added value ($2.57 per $1 spent), $19 million in income ($1.07 per $1 spent), and $104 million in gross output each year ($5.61 per $1 spent.)



Figures rounded to the nearest million dollars.

Through their businesses, projects, and associated supply chains, First Nations have supported an average of 373 full-time equivalent (FTE) jobs per year.

On an average annual basis, **First Nations' businesses and projects have created 132 direct jobs (FTE) and supported 242 indirect jobs (FTE) per year**, with sectors like tourism and hospitality, trade and transportation, and manufacturing supporting the highest employment.

ECONOMIC EFFECTS ACROSS TOP FIVE SECTORS, BY PROJECT SPENDING (inflation-adjusted)

TOP FIVE SECTORS, BY PROJECT SPENDING	PROJECT SPENDING	ADDED VALUE (GDP)	HOUSEHOLD INCOME	GROSS OUTPUT	AVG. ANNUAL EMPLOYMENT (FTE)
Arts, entertainment, recreation, accommodation, and food services (includes tourism and hospitality)	$72.8 M	$62.6 M	$40.1 M	$126.9 M	78
Crop, aquaculture, and animal production	$70.3 M	$39.8 M	$16.3 M	$103.8 M	24
Manufacturing	$54.2 M	$112.1 M	$57.1 M	$327.2 M	55
Financial, insurance, real estate, investment	$35.8 M	$207.3 M	$39.2 M	$305.7 M	29
Trade, transportation, and warehousing	$18.9 M	$115.7 M	$68.4 M	$202.3 M	82

By investing in high-opportunity sectors, First Nations are attracting revenue from outside the province and distributing economic benefits throughout the broader economy.

On the coast, First Nations have concentrated a majority of project spending (83%) across five sectors:

- Arts, entertainment, recreation, accommodation, and food services (including tourism and hospitality)
- Crop, aquaculture, and animal production (including fisheries, shellfish aquaculture, and related processing)
- Manufacturing
- Financial, insurance, real estate, investment
- Trade, transportation, and warehousing

However, **indirect and induced economic impacts are more dispersed**, with the same proportion (83%) generating economic activity across 10 sectors.

These findings illustrate how First Nations' investments in high-value sectors like tourism, manufacturing, and food production can attract revenue from outside the province, then circulate money within the provincial economy as business owners source labour and materials from local suppliers, boosting economic impact across a broader range of supporting industries.

CASE STUDY: CREST HOTEL

In 2023, Gitxaała Enterprises Corporation (GECO, Gitxaała Nation's economic development corporation) acquired the Crest Hotel, a landmark 107-room hotel on Prince Rupert's waterfront. Using Economic Development Funding and other financing, GECO invested over $2.5 million in infrastructure upgrades, including a new hotel-wide HVAC system that reduces energy costs and creates a more comfortable experience for guests.

The Crest Hotel is an economic engine in the region, employing about 100 people and spending 70 to 80 per cent of its procurement budget locally, helping to support a network of local suppliers and service providers in northern BC. Following the acquisition, bookings have steadily increased and 2025 is on track to surpass all previous occupancy records. The hotel has also become a community and cultural hub that showcases First Nations art and supports major events, including the All Native Basketball Tournament.

Learn more: coastfunds.ca/news/gitxaala-crest-hotel-energy-upgrades

PHOTOS
D. Rigo / Gitxaała Enterprises Corporation

METHODOLOGY

Big River Analytics (BRA) used project-specific financial data, which belongs to participating First Nations and is shared with Coast Funds, and broad economic datasets, which were used to develop a provincial-level input-output model to gauge indirect and induced economic impacts. BRA allocated project spending across modelled industry sector classifications and adjusted spending amounts to account for inflation.

Full methodology, including limitations, is available in BRA's technical report:
coastfunds.ca/news/economic-fund-report

CONCLUSION

Building on a Strong Foundation

First Nations have always been economic leaders, using their knowledge and traditions to build strong communities and trade economies, while stewarding their territories for the benefit of future generations. In a modern context, Big River Analytics' analysis demonstrates what's possible when First Nations have access to upfront financing to invest in their choice of economic development initiatives and sectors.

Using the Economic Development Fund at Coast Funds, which was initiated with $60 million and delivered $61.4 million in project financing, First Nations have built a strong foundation for a conservation economy in the Great Bear Rainforest and Haida Gwaii. **These funds have acted as a catalyst for economic growth in the region**, delivering capital that First Nations have leveraged to attract and contribute additional financing, for a total investment of $316 million (in 2024 dollars) in businesses, infrastructure, training, and other economic priorities.

Project investments have returned profits to First Nations communities and strengthened local economies, generating $808 million in added value, $331 million in household income, and $1.77 billion in gross output, as well as an average of 373 full-time equivalent jobs annually.

Importantly, two-thirds of the GDP impact of First Nations' projects comes from the secondary effects of local procurement and hiring, which disperse economic benefits throughout the province.

As Crown governments consider opportunities for strengthening provincial and national economies, First Nations' successes in the Great Bear Rainforest and Haida Gwaii offer important lessons for building a truly sustainable, resilient economy that benefits people and place.

ABOUT COAST FUNDS

Coast Funds, established in 2007 as an outcome of the Great Bear Rainforest Agreements, is an Indigenous-led conservation finance organization that works closely with 29 First Nations to deliver financing and services in support of their stewardship, conservation, and economic priorities.

Through a model called project finance for permanence (PFP), First Nations in the Great Bear Rainforest and Haida Gwaii have secured protections for their territories and long-term financing for conservation and community-led economic development.

Coast Funds administers funds through the Great Bear Rainforest PFP, the Great Bear Sea PFP, and custom agreements with First Nations.

Since Coast Funds began disbursing funds in 2008, First Nations have accessed $142.6 million and invested in 594 conservation and sustainable economic development projects which have created family-supporting jobs, advanced scientific research, and fostered a growing conservation economy on the coast.

Learn more: coastfunds.ca

COAST FUNDS

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Our offices are located on the shared territories of the xʷməθkwəy̓əm (Musqueam), Sḵwx̱wú7mesh (Squamish), and səlilwətaɬ (Tsleil-Waututh) Nations.

PHOTO
Kimsquit River / Olivia Leigh Nowak