

BDIC Working Capital Loans

The Government of the Northwest Territories (GNWT) is offering low interest loans to NWT businesses through the NWT [Business Development and Investment Corporation](#) (BDIC). Applications to this program can now be made at any time from April 16 and onward, and loans will be processed as they are received.

Loans of up to \$25,000 (or more if need is clearly addressed) are being made available to qualified businesses at a rate of 1.75%. Loans will be amortized for up to five years with options for payment deferment for 3 months upon request.

To qualify, you are required to provide:

- Demonstration of financial need for a 30 - 60 day period due to cash flow issues resulting from the COVID-19 crisis, backed up by supporting documents such as:
 - Monthly expenses for the operation of your business for the next 30 days
 - Support information which shows a change in revenues to your business within the last 60 days;
- A completed loan application form;
- A summary of other business relief that you have applied for or received due to COVID-19;
- A valid Tourism Operator License if you are a Tourism Operator;
- A copy of your valid Driver's license; and
- A copy of your valid NWT business license.

*The personal credit of the owner will be considered as part of the loan review process and the business owner must be in good financial standing with all GNWT Departments.

If your business had only previously applied for a relief loan to cover 30 days of your operations, you may apply a second time for an extended period.

In this second round, loans will also be available to non-resident businesses. While the first round was limited to NWT residents, as there is some loan room available, non-resident businesses that have made a meaningful investment in the NWT (such as a lodge), have NWT employees and support local businesses may apply. **However**, it is incumbent upon non-resident businesses to demonstrate their investment in and support of the NWT economy.

To apply:

Download and complete the [loan application form](#).

Submit your application form, with supporting documents, to your regional Department of Industry Tourism and Investment regional office. **Please ensure you demonstrate your need as a result of the COVID-19 pandemic.**

Consistent with public health guidelines to self-isolate, applications can only be accepted via email. Your application and supporting documents should be sent, by e-mail, to the appropriate ITI contact listed below:

- DehCho Region: Jennifer_Thistle@gov.nt.ca
- Sahtu Region: Marty-Ann_Bayha@gov.nt.ca
- South Slave Region: Tom_Colosimo@gov.nt.ca
- North Slave Region: ITInorthslaveloans@gov.nt.ca
- Beaufort Delta: Don_Craik@gov.nt.ca

Please Note:

Priority will be given to businesses with fewer than 20 employees, but the GNWT will consider applications from businesses with up to 50 employees.

This program is considered as an initial response to the current crises. While loan applications should focus on cash flow requirements for 30 to 60 days, the GNWT is interested in hearing of the longer cash flow challenges facing NWT businesses, should the current crisis persist.

Businesses should also note that they may be eligible for Canada Emergency Business Account loan through your financial institution. The link below contains more details.

<https://ceba-cuec.ca/>

Questions relating to this program can be directed to: ITIBusinessinquiries@gov.nt.ca

Questions & Answers

BDIC Deferred Loan Payments:

1. **How long can businesses defer their payment, especially if the COVID-19 crisis continues throughout the summer?**

Approved deferment of all BDIC loan payments will be for a period of up to 3 months. Requests can be made anytime between April 1, 2020 through September 30, 2020.

2. **How much money will the BDIC deferred payment program save businesses?**

If all BDIC applicants request deferrals, NWT businesses would free up a combined \$335,000 in cash-flow per month.

BDIC – Working Capital Loans Program

3. **How many businesses applied during the first intake of applications?**

The initial intake had a deadline of March 31, 2020 and we received 84 applications requesting over \$2 million in loans. The loans have largely been processed and are all applicants will be informed if they were approved or denied during the week of April 14. We will be doing our best to assist as many businesses as possible and focus on those demonstrating the most need due to the COVID-19 crisis.

4. **Is there a maximum amount businesses can apply for under the working capital loan program?**

To date, we have been trying to limit any loan to \$25,000; however, we will be flexible in our assessments and use the information we gain to develop our future response.

5. **Will this be enough to keep our businesses open?**

The program is intended to provide businesses with some bridge financing for their working capital needs for a 1 to 2 month period. Many small businesses will require far less than \$25,000 and we will be approaching this process with the intention of helping as many small businesses as possible that are **demonstrating substantial need**.

This program will provide us with far better information to gauge the impact of the substantial federal relief funding announced in recent days. There will be other programs offered by the federal government and we are unsure how long this situation will last. We will be re-evaluating our approach as this situation continues.

6. **How are you prioritizing the loan applications to ensure disbursement is equitable?**

Our assessments will be based on the financial need of businesses hit by the COVID-19 crisis. Right now our criteria are very flexible and we will review all applications and allocate money as fairly as we can.

With respect to businesses owned by non-residents, support will be contingent upon your demonstrated investment in and support of the NWT economy.

7. What if you run out of available funds to lend and more businesses require assistance?

Our economic support programs are supplementing federal programs. The GNWT will continually review our response and look to the business community for advice to meet the needs of small businesses and position our economy for recovery in the long term.

8. How long will the process take for a business to find out if they are approved?

Without knowing what the program uptake will be, we are anticipating a response time of 1-2 weeks.

9. What impact will COVID-19 have on the economy?

The impact will be substantial and will depend upon the length of time the COVID-19 crisis lasts. But we are hoping federal and territorial programs will help alleviate the burden while we gauge our longer term response. This is why we are also establishing the Economic Advisory Panel – to provide advice on dealing with the immediate problems and help us to plan our long term recovery.