



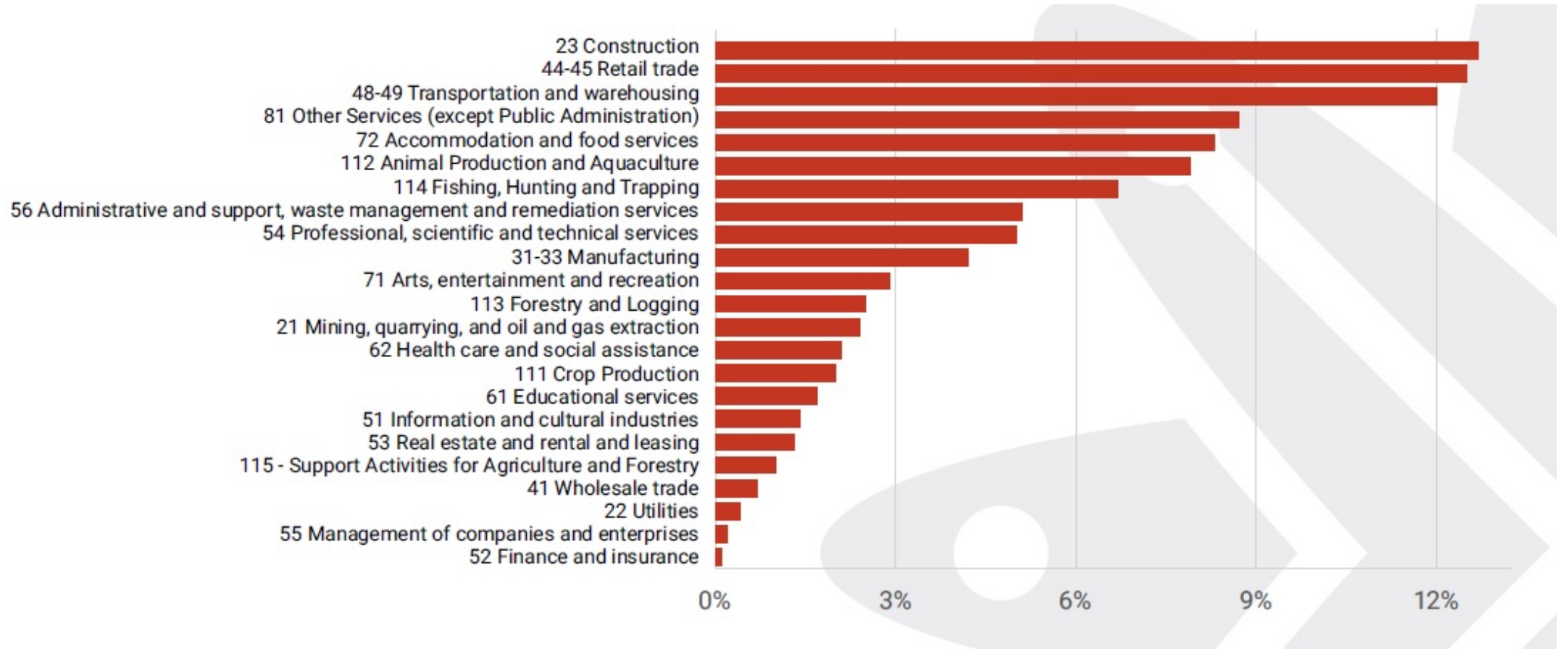
INDIGENOUS PROCUREMENT PATHWAY

**Procurement Policy Dialogue
December 2020**

INTRODUCTION

- NACCA, the National Aboriginal Capital Corporations Association, is a membership-driven association for the network of 59-Aboriginal Financial Institutions (AFIs), that offer financing and business support to Indigenous businesses and communities.
- The AFI Network by the Numbers:
 - \$125M in new loans annually
 - 1,200 businesses receiving loans annually
 - \$31.5M in program funding to support Indigenous businesses
 - 29% of businesses supported are 100% owned by Indigenous women
 - 23% of entrepreneurs supported are 35 years or younger
 - 95% of all loans repaid
 - 46,000 loans over the past three decades
 - \$2.75B in loans over the past three decades

INDUSTRIES AFIs SERVE



INDIGENOUS PROCUREMENT FINDINGS

- Since 2018, the Procurement Strategy for Aboriginal Businesses (PSAB) has focused on identifying issues and shortfalls with the procurement process, this on-going research culminated was publication of a Discussion Paper (Fall) 2019: Indigenous Participation in Procurement that included 7-key transformations;
 - Introducing mandatory targets across the whole of government
 - Fostering a culture of awareness, trust and understanding in government
 - Establishing measurement tools and data collection systems
 - Defining Indigenous businesses
 - Simplifying processes and reducing barriers to participation in federal procurement process
 - Identifying and building Indigenous capacity and qualified workers
 - Transforming the procurement process.

INDIGENOUS PROCUREMENT FINDINGS

- In addition, 5-other procurement related reports all concluded there is a saturation of opinion by government, Indigenous institutions/organizations and businesses on 4-key themes:
 - Increase Indigenous businesses access to the procurement supply chain by mandating Indigenous procurement targets (5%) across government
 - Streamline and de-mystify procurement processes to reduce barriers for Indigenous business participation in procurement
 - Support the development of an Indigenous institution to advance the delivery procurement services and tools targeted at supporting Indigenous business growth, and
 - Improve data collection, reporting and governance practices to increase transparency to ensure data is utilized to monitor progress and mandated targets are achieved.

INDIGENOUS PROCUREMENT WORKING GROUP

- With the release of the Procurement Discussion Paper (Fall) 2019 and mandate letters on December 12, 2019, on adoption of a minimum 5% procurement target. Public Services and Procurement Canada (PSPC), Indigenous Services Canada and Treasury Board Secretariat have been tasked to work in conjunction with the National Indigenous Organizations on developing and implementing a new policy/legislative framework for achieving the 5% Indigenous procurement target.
- Mandate of the Working Group is to provide advice to the Government of Canada on the establishment of policies and legislative frameworks necessary to achieve a minimum 5% Indigenous procurement target across the whole of government and lead the development of discussion papers in the areas of:
 - Indigenous Business Definition(s)
 - Indigenous Business Certification and Re-certification
 - Indigenous Supplier Database
 - Indigenous Business Support Services and Tools
 - Transforming the Procurement Process
 - Introduction and Adherence to a Minimum 5% Indigenous Procurement Target by the Whole of Government
 - Support Services for the Procurement Supply Chain
 - Monitoring and Communications.

INDIGENOUS PROCUREMENT WORKING GROUP

- Utilize the final discussion papers as the foundation for the development of the appropriate Cabinet and Parliamentary tools to enact a minimum 5% Indigenous Procurement Target across the whole of government.
- Monitor the implementation of policy and legislative frameworks to ensure departments and agencies are introducing pro-active strategies for achieving a minimum 5% Indigenous Procurement Target.
- The Working Group expects the GoC to adopt approaches, policy/legislative frameworks and processes that are consistent with the research findings of Indigenous Procurement WG.