



Embedding Indigenous Businesses

CHALLENGES

Aboriginal Procurement Champions highlighted several challenges to embedding Indigenous businesses in their supply chains:

- The costs and pricing of engaging in certain projects or bidding processes limits the engagement of Indigenous businesses in corporate supply chains.
- Indigenous businesses that respond to RFPs may not be able to provide as competitive of a price as a major, non-Indigenous corporation.
- Navigating security clearance, bonding, insurance and safety requirements can be difficult for Indigenous businesses.
- Sharing best practices and establishing mentorship opportunities for Indigenous companies in corporate supply chains.
- Finding Indigenous businesses and understanding requirements for 51% control within Indigenous business definitions.
- Breaking down internal silos and getting each department within an organization to understand Indigenous procurement.
- Learning and understanding how to develop good and effective relationships with Indigenous businesses and communities.
- Tracking Tier-2/subcontracting spend. Given the nature of subcontracts, it can be difficult for corporations to track their Indigenous spend, as it is done indirectly through another company.

RECOMMENDATIONS FOR EMBEDDING INDIGENOUS BUSINESSES IN SUPPLY CHAINS

Here are some best practices used by Aboriginal Procurement Champions that can and should be applied across Indigenous procurement processes to effectively involve Indigenous businesses in supply chains:

Identify suppliers

- Perform supplier searches for new opportunities using the Aboriginal Procurement Marketplace, CCABs Certified Aboriginal Business (CAB) list, or contacting CCAB's procurement team to find other suppliers.
- Utilize Indigenous consultants to identify Indigenous businesses and match them to direct (Tier-1) suppliers for subcontracting, or supply chain opportunities so they may become direct (Tier-1) suppliers.
- Work with internal partners to identify Indigenous suppliers.
- Collaborate with suppliers in different levels of your supply chains to identify Indigenous businesses.

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KEY TIPS

Aboriginal procurement champions had three key tips for embedding Indigenous businesses in supply chains:

1. **Help where you can** – do what your company's expertise allows. This could include mentorship or other opportunities if supply chain opportunities are not available.
2. **Be transparent** – share best practices and report publicly. This should involve releasing annual reports on topics like Indigenous engagement and progress towards meeting targets.
3. **Set requirements** – flag Indigenous businesses as preferred suppliers and/or establish requirements for them to be recognized as such.



RECOMMENDATIONS FOR EMBEDDING INDIGENOUS BUSINESSES IN SUPPLY CHAINS *(continued from previous page)*

Set targets

- Set Indigenous procurement targets that are ambitious but realistic, and work to surpass them wherever possible. These targets help to ensure accountability. These can be a dollar figure, or a percentage of total spend. Ex. 5%, 10%, 15%, 40% of spend.

“Once you exceed it, increase it.”

Ensure implementation

- Establish operational teams to guide the implementation and actioning of Indigenous procurement efforts.
- Work to ensure Indigenous representation in corporate governance. The 50-30 challenge can help guide these efforts.¹

Educate internally

- Educate employees about Indigenous suppliers and opportunities. Host supplier training sessions to increase understandings of how to effectively work with Indigenous businesses as well as the importance of Indigenous procurement and economic reconciliation more broadly.

- Hold internal education sessions, or cultural awareness training, to address myths and biases by increasing understandings of Indigenous cultures, histories, and realities. This should be provided to all levels of the organization, including the Board of Directors.
- Provide learning resources internally to employees and establish knowledge hubs.
- Share land acknowledgements and reflection in meetings.

Establish portals and tracking

- Develop Indigenous supplier portals and other supplier tracking mechanisms.
- Utilize CCAB’s Aboriginal Procurement Marketplace to identify Indigenous suppliers and access company overviews.

Build relationships

- Build committed relationships/partnerships with Indigenous communities and businesses. These should be mutually beneficial and long-term. This could involve working together on economic development, environmental stewardship, equity partnerships, skills development, and many more areas.
- Establish an ongoing point of contact, hold regular meetings with communities and businesses.
- Maintain CCAB membership and work towards PAR designation.

USE YOUR CAPABILITIES, PROVIDE NETWORKING AND MENTORSHIP OPPORTUNITIES

Networking

- Share opportunities where possible.
- Hold cultural celebrations and networking events for corporate and Indigenous suppliers to interact and develop connections.
- Create 1 on 1 sessions and vendor days.

Mentorship

- Regular meetings and feedback gathering sessions with suppliers.

- Establish business development and mentorship programs. This could involve using a buddy system to partner senior leaders with Indigenous businesses and suppliers to provide advice and connections.
- Hold training sessions for Indigenous businesses and suppliers.
- Develop programs to hire skilled Indigenous employees.
- Create programming for Indigenous entrepreneurs.

1. <https://ised-isde.canada.ca/site/ised/en/50-30-challenge-your-diversity-advantage>



USE YOUR CAPABILITIES, PROVIDE NETWORKING AND MENTORSHIP OPPORTUNITIES *(continued from previous page)*

Strengthen subcontracting and simplify RFPs

- Work directly with preferred/Tier-1 and Tier-2 suppliers to facilitate opportunities and connections for Indigenous businesses within the supply chain and outside of it.
- Enhance RFP processes to require the inclusion of Indigenous suppliers/subcontracting. This might involve including specific questions pertaining to Indigenous inclusion within RFPs or including them directly within Tier-2 supplier programs or other levels of the supply chain.
- Establish Indigenous subcontracting requirements organization-wide or with certain suppliers.
- Ensure Indigenous inclusion requirements are identified during supplier onboarding process. Incorporate Indigenous business requirements into standardized procurement/subcontract plans or templates so that buyers are aware.
- Simplify RFPs/RFQs and supplier onboarding processes to limit the burden on Indigenous businesses.

Incorporate protocols and broader best practices

- Incorporate the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), principles of free, prior, and informed consent (FPIC), the Truth and Reconciliation Commission's Calls to Action, particularly #92, the National Indigenous Economic Strategy (NIES), and consider contributions to economic reconciliation when developing your strategy.
- Indigenous communities need to have a say and be able to indicate yes or no and have that be respected.

