

British Columbia Indigenous Procurement Initiative

Report on  
**What We Heard**

*Summary of Regional Engagement  
Sessions & Surveys*



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## Acknowledgement

Thank you to the Indigenous partners, organizations, community representatives and business owners who generously gave their time and so openly shared their stories, lived experiences, hopes, frustrations and optimism.

Thank you to each of the Elders who welcomed us to their territories and provided us the opportunity to listen, and to share in and facilitate conversations.

This report was gratefully produced in the territory of the Lekwungen-speaking peoples, the Songhees and Esquimalt Nations, who have lived on this land since time immemorial.

# Executive Summary

*The purpose of this report is to reflect what we heard from over 300 Indigenous partners and business owners across British Columbia (BC) about government procurement.*

What we heard, reflected here, will help the Province develop a coordinated approach to procurement with Indigenous businesses and communities and increase Indigenous participation in government's procurement opportunities.

On June 25, 2018, the Ministry of Citizens' Services released the British Columbia Procurement Strategy (the Strategy) to change the way it buys goods and services and to make it easier to do business with government. Under the first goal of the Strategy – to realize best value and increased benefit to British Columbians— is a priority action to engage with Indigenous partners and businesses.

From January through March 2019, with advice from Indigenous partners, the Ministry of Indigenous Relations and Reconciliation (MIRR) and the Ministry of Citizens' Services (CITZ) undertook engagement across the province. The engagement process, including regional engagement sessions, in-depth conversations and an online survey, was designed to provide Indigenous partners, organizations, businesses, communities, women, youth and Elders a range of opportunities to share their input.

Regional session participants often described Indigenous procurement as requiring a holistic and collaborative process that, rather than focusing exclusively on lowest bid, recognizes social values and benefits, as well as long-term goals and relationships.

The BC Government is committed to true and lasting reconciliation with Indigenous peoples and, under the Strategy, aims to reduce barriers to Indigenous business and community participation in government's procurement opportunities. From what we heard, Indigenous participation in government procurement is limited,

and opportunities and challenges specific to Indigenous businesses and communities have yet to be addressed. Reducing these barriers and increasing Indigenous participation will contribute to business growth, economic development, healthier communities and a stronger economy.

This report reflects feedback about the barriers and challenges, as well as the opportunities, ideas and suggestions for increasing Indigenous participation in the BC Government's procurement opportunities. Five key themes emerged consistently across regional engagement sessions and in survey responses. In summary, the Province heard that:

- » **Valuing Indigenous culture and knowledge** is foundational to reconciliation and to advancing social and environmental outcomes. Key topics of discussion included culturally-relevant procurement practices, government procurement staff cultural awareness and competency, and inherent biases in the procurement process.
- » **Enhancing procurement processes to be more accessible to Indigenous businesses and communities** contributes to improved effectiveness in the delivery of goods and services. Key topics of discussion included bid requirements, language and the proposal process, how the scale and scope of contracts are considered, and the link between bid requirements and contracting obligations.
- » **Creating space in the process for Indigenous businesses and communities** promotes innovative approaches and mutual education. Key topics of discussion included considerations for Indigenous content in bid opportunities (Indigenous knowledge, values, culture, employment, and community or social benefit), meaningful Indigenous participation at appropriate stages of the proposal process, and building effective partnerships and joint ventures.

- » **Strengthening relationships, open communication and transparency** contributes to expanding and maintaining a resilient community of suppliers. Key topics of discussion included Indigenous capacity development; clear, timely and appropriate communication; and transparency in the evaluation process, including feedback on unsuccessful proposals.
- » **Emphasizing local Indigenous procurement** supports value for money and benefit to people and communities. Key topics of discussion included considerations for local and Indigenous knowledge and expertise, and the notification process and communication of opportunities to Indigenous communities, organizations and businesses.

For a definition of “Indigenous business” that would ensure appropriate inclusivity in Indigenous procurement, the message from participants throughout the engagement was that, while “ownership” can be a useful criteria, it is insufficient. Indigenous content criteria should be considered as part of the definition, including ownership as well as control, participation, and Indigenous values and principles.

Finally, this report includes ideas and suggestions for the Indigenous Procurement Initiative that align with the five key themes and are listed as policy, practice and programming. As many different perspectives were heard and are captured here, some ideas may seem at odds with one another. However, all of the feedback reflected will help to both inform the development of a coordinated approach and increase Indigenous participation in government’s procurement opportunities.

# Introduction – The BC Indigenous Procurement Initiative

Government's procurement of goods and services offers opportunities to support the Province's commitment to reconciliation with Indigenous peoples, including implementation of the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) and the Truth and Reconciliation Commission (TRC) Calls to Action, while maintaining the principles of fair and open procurement.

In 2018, the Ministry of Citizens' Services (CITZ) presented the new [British Columbia Procurement Strategy](#) (the Strategy) following preliminary engagement with a wide range of suppliers and procurement practitioners. The Strategy sets out four goals to modernize the Province's procurement system, aiming to remove barriers for suppliers, including small and medium-sized and Indigenous businesses; promote innovation; increase the focus on social, environmental and economic outcomes for people and communities; and, enhance procurement capacity within ministries. A 2018-2019 priority action under Goal 1 – to realize best value and increased benefit

to British Columbians – is to develop a coordinated government approach to Indigenous procurement.

To act upon this priority, the Indigenous Procurement Initiative (IPI), co-led by MIRR and CITZ, sought the input of Indigenous business owners, partners, communities, and organizations. The Province held a series of regional engagement sessions, involving Indigenous participants in communities across BC to explore procurement processes across ministries, and seek to understand the challenges and opportunities that Indigenous peoples face when working with government.

These regional engagement sessions highlighted challenges, opportunities and recommendations for Indigenous procurement across all four goals of the Strategy. This report summarizes and captures the themes and suggestions that were expressed during the regional sessions, as well as an online survey, and in-depth conversations.

## The Strategy has **four goals**



1

To realize **best value and increased benefit to British Columbians** by using procurement strategically to improve social and environmental outcomes and promote innovation.



2

To make it **easier to do business** with government with simpler, more intuitive processes.



3

To create **more opportunity** for businesses of all sizes, adapting practices towards supporting, growing and sustaining a community of suppliers.



4

To build **greater capacity** for procurement in the B.C. public service through enhanced training and support.

# Engagement Process Overview

Between January 31 and March 31, 2019, the BC Government conducted regional engagement sessions and an online survey to help inform the development of a coordinated approach to government procurement with Indigenous businesses and communities. The engagement process was informed by preliminary conversations with Indigenous partners and organizations. More than 300 Indigenous partners, community representatives, organizations and business owners shared their views on BC's procurement processes throughout the engagement.



**39** Engaged through preliminary conversations and information exchange



**14** Engaged through in-depth conversations

We have heard from over **300** people



**167** Engaged through regional sessions



**97** Engaged through online survey

## Regional Engagement Sessions

The Province held nine regional engagement sessions across the province in Victoria, Nanaimo, Williams Lake, Prince George, Terrace, Vancouver, Cranbrook, Kelowna, and Surrey. The National Consortium for Indigenous Economic Development designed and facilitated the engagement sessions, which consisted of a full day of active participation workshops to discuss the challenges, opportunities, gaps and people's experiences with government procurement processes.

Session participants included First Nation, Métis and Inuit business owners, organizations, government representatives, economic development corporations, entrepreneurs, economic development officers, and community leaders and representatives, including women, youth and Elders. In addition to the diversity of these perspectives, participants shared a variety of experiences related to their location (on reserve, off reserve, urban, rural), and to their experience with government procurement processes and contracts. Representatives from a range of BC ministries were also in attendance.



## Online Survey

An electronic survey was widely distributed, resulting in 97 unique responses. The 97 respondents represent a diverse cross-section of Indigenous communities and stakeholders. The survey questions captured similar information as the regional sessions for those who were unable to attend, and for those who did attend and wished to also share their insights and experiences in written form.



# What We Heard Overview

What we heard about government procurement of goods and services with Indigenous businesses and communities begins with definitions of “Indigenous procurement” and “Indigenous businesses”. These discussions provided a foundation for in-depth conversations around challenges, opportunities and ideas for BC’s procurement process.

It is important to recognize that the feedback received represents a broad spectrum of experience and perspectives, reflected in the breadth of stories, opinions and experiences that session participants and survey respondents shared.

## Indigenous Procurement

*74% of survey respondents indicated that there are specific challenges and opportunities for Indigenous business or Indigenous community participation in provincial government procurement opportunities.*

In discussing a definition of “Indigenous procurement,” we sought to identify how it is unique from other procurement. While there was some divergence of opinion among participants on how Indigenous procurement may be considered unique from other procurement, participants in each session shared experiences that illustrate the inequities and inequalities they experienced within BC’s current procurement processes.

Many Indigenous people continue to endure racism along with the lasting impacts of colonialism and the dispossession of traditional territories, and the inter-generational impacts of residential schools and the Sixties Scoop. Discrimination creates barriers for Indigenous businesses and communities that are interested in doing business with government; therefore, different from other procurement approaches, Indigenous procurement requires government staff who are involved in each stage of the procurement process to incorporate a greater understanding of Indigenous culture, protocols and values throughout.

Session participants described “Indigenous procurement” as requiring a holistic and collaborative process that – rather than focusing exclusively on lowest bid – recognizes social values, benefits, long-term goals and relationships.

Participants also offered that Indigenous procurement needs to be local, or place-based. At a minimum, place-based procurement recognizes that Indigenous values, culture, protocol and ways of knowing are unique to each community in which goods or services are being delivered. For some participants, “place-based” goes further, recognizing territory, self-determination and community-driven approaches for the delivery of goods and services. However, participants also expressed concerns about the complexities of defining territories and the interests of Indigenous businesses to have geographic mobility and the ability to seek out opportunities regardless of status, affiliation or location.

Across the province, participants consistently identified that current procurement evaluation processes tend to reward proposal-writing skills over a business’ capacity to deliver the goods or services and fulfil a contract. This is another distinction that makes Indigenous procurement unique: in addition to the importance of capacity building for Indigenous communities and businesses to enter the market, compete with other organizations, and ultimately succeed, procurement processes (including evaluation) should recognize Indigenous businesses’ and communities’ ability to deliver contracts.

## Indigenous Business

The definition of an Indigenous business is used to help identify the eligibility criteria for Indigenous-specific procurement policies, strategies and initiatives that governments implement, and can ensure appropriate inclusivity in Indigenous-specific procurement initiatives.

However, as evidenced by the broad spectrum of responses, arriving at a universally agreed upon definition for an Indigenous business may not be possible. Many people shared their concerns about definitions that often do not reflect the lived experiences of Indigenous peoples and their values, knowledge and relationships, as well as the limitations (and sometimes consequences), of definitions commonly used, such as “over 51% Indigenous owned or employed.”

Some of the survey respondents identified concerns with the Indigenous business definition of “minimum 51% Indigenous owned” being misused in joint ventures where the Indigenous business does not have control of decision making, participation, or benefit from the partnership. Nevertheless, over 78% of respondents indicated that the definition is somewhat or very useful. Similarly, over 70% of respondents indicated that the definition of “minimum 51% Indigenous employed” is useful. One respondent indicated that a company with 51% Indigenous employees is rare and unique in BC and should be recognized as supporting and benefiting Indigenous peoples.

*Several people shared stories of how “Indigenous business” definitions may exclude them. For example, defining an “Indigenous business” as “minimum 51% Indigenous owned or employed” would exclude a 50/50 partnership between an Indigenous person in a relationship with a non-Indigenous partner. Similarly, a place-based definition may exclude Indigenous peoples who have moved from other locations.*

Throughout the engagement process, the shortcomings of a one-size-fits-all approach were discussed. These were particularly true for Indigenous self-identification and Indigenous-led businesses, joint ventures, First Nation-endorsed businesses, and territory-specific definitions.

Many people noted that self-identification can lead to misrepresentation. However, many people also expressed the importance of recognizing self-identification, acknowledging that the registration of businesses based on status, affiliation or location can exclude legitimate Indigenous-owned businesses, given the enduring impacts of dispossession of traditional territories, residential schools and the Sixties Scoop.

Other considerations for the definition emphasized accountability and transparency, and cautioned against Indigenous businesses being exploited as a way to just “tick the box,” which can occur with Indigenous content requirements in joint ventures. Several people suggested that monitoring processes should be used to help address these considerations and concerns, and to help ensure that Indigenous businesses are not tokenized or used to reach quotas.

The key message: a definition going beyond ownership or control to include Indigenous content criteria could be inclusive and appropriate. Examples of quantitative and qualitative criteria suggested with respect to ownership, control and participation, in addition to those reflecting Indigenous values and principles, are below.

### **Ownership, Control and Participation**

- » At least 51% ownership or 51% control by an Indigenous proponent
- » Board composition with at least 70% Indigenous representation (e.g. not-for-profit organizations)
- » Active Indigenous ownership, control, participation, or leadership
- » Indigenous employment, mission statements, mandates, or language fluencies

### **Indigenous Values and Principles**

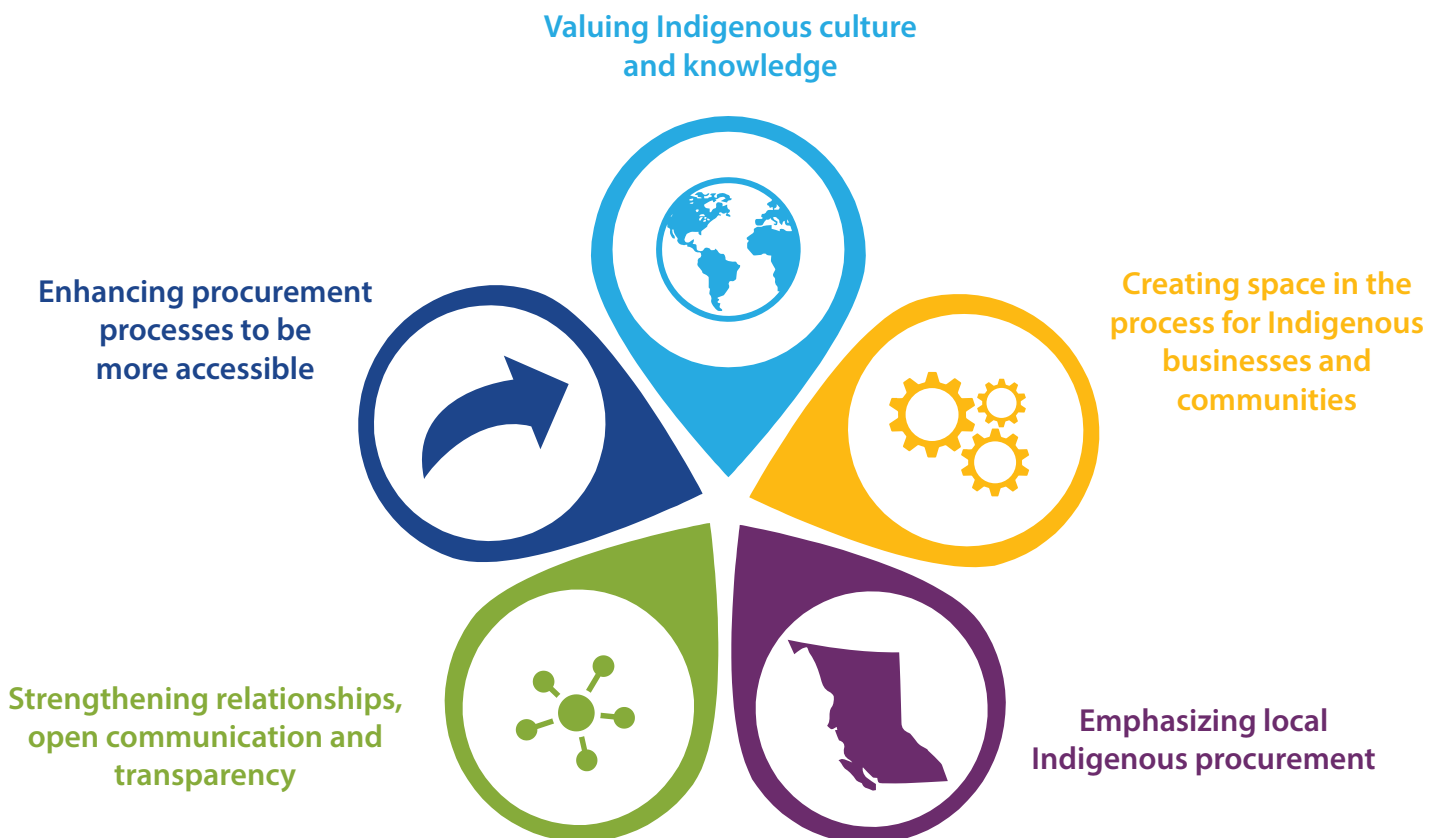
- » Knowledge, relationships and trust with the community in which goods or services are being delivered
- » Founded on Indigenous principles and community involvement or benefit
- » Place-based and reflective of lived experiences, with a focus on positive cultural and social impacts

# Key Themes

Five key themes emerged consistently across the province through the regional engagement sessions and the online survey:

- » Valuing Indigenous culture and knowledge
- » Enhancing procurement processes to be more accessible to Indigenous businesses and communities
- » Creating space in the process for Indigenous businesses and communities
- » Strengthening relationships, open communication and transparency
- » Emphasizing local Indigenous procurement

These themes capture the opportunities, challenges, promising practices and lessons that participants shared. The following section describes the themes and provides a list of comments and observations by participants. Ideas and suggestions related to each theme are listed in Appendix A. The comments, observations, ideas and suggestions capture many different perspectives and reflect the breadth and depth of what the Province heard, all of which will help to inform the development of a coordinated government approach to Indigenous procurement.





## Theme 1: Valuing Indigenous Culture and Knowledge

*Participants shared concerns that the value of Indigenous knowledge is not being recognized – knowledge that can reduce costs, provide better outcomes, and increase the social benefit to communities.*

Government heard from participants that valuing Indigenous culture and knowledge during all stages of the procurement process is foundational to reconciliation and to advancing social and environmental outcomes. Discussions focussed on incorporating culturally appropriate procurement practices, addressing the cultural competency of government staff who participate in procurement, and identifying changes required to address inherent biases in the procurement process.

### Culturally Appropriate Procurement

*“I don’t believe there is any weighting for Indigenous cultural knowledge [or] community connection - [this] results in projects being awarded to companies with modest strength in this area - even though the substance of the contract deals with Indigenous people or issues.”*

The theme of culturally appropriate procurement was raised throughout the engagement sessions. Acknowledging the uniqueness of Indigenous procurement, and adapting processes to the recognition of Indigenous culture, knowledge and values was highly important to participants.

One participant shared an example of her wealth of knowledge and experience in her own culture not being acknowledged or reflected in bid opportunities, particularly where it pertained to goods or service delivery in a First Nation community. Conversely,

a promising practice shared by another participant was an example of culturally appropriate procurement process that created opportunities for verbal submissions or presentations, rather than solely relying on written proposals. Participants shared the following experiences and observations:

- » The current procurement process ignores the unique qualities of Indigenous procurement.
- » Requests for Proposals (RFPs) do not reflect an understanding of the issues that affect Indigenous communities and the use of formal language in RFPs can be alienating.
- » Proposals often focus on short-term gains rather than long-term impacts.
- » By not reaching out to Indigenous communities in an in-depth way, RFPs often do not reflect the local needs nor the appropriate approach for addressing those needs.
- » With very little direct collaboration with communities on RFPs, communities – especially Indigenous communities – feel ignored.
- » As RFPs do not speak to Indigenous values, some participants said they felt culturally isolated.
- » Contracts seem built around profit without considering the long-term consequences of such an approach.
- » The current procurement process is inconsistent with community development.

### Government Staff Cultural Competency

In the Indigenous procurement context, “cultural competency” relates to government staff’s ability to work respectfully, knowledgeably and effectively with Indigenous people from diverse cultural backgrounds. Along this line, participants shared examples of how procurement practices should be consistent with government’s commitments to reconciliation.

- » Some participants shared stories of experiences with government staff where they encountered discrimination, lack of acknowledgement of the value of Indigenous knowledge and culture, and misunderstandings about how to approach and interact appropriately with Indigenous businesses and communities.
- » Some participants also identified the need for Indigenous cultural training for government decision makers and staff to be able to convey the commitment to reconciliation in their interactions with the public and work to identify and overcome systemic and unconscious discrimination.

## Inherent Biases

*“[There is] inherent bias that Indigenous companies cannot do the work.”*

Attitudes and stereotypes affect understanding, actions and decisions in an unconscious manner. Biases can be pervasive in both individuals and organizations and can

create barriers that impede access to opportunity. Participants shared experiences where they felt inherent or implicit biases, in language, processes and communication, created barriers to opportunities for Indigenous businesses and communities. Further, some participants see the procurement process as actively discriminating against Indigenous communities. Some participants shared that:

- » Bias resulted in their feeling like Indigenous communities were effectively told to stay “in their lane.”
- » To avoid bias, they felt reluctant to self-identify as Indigenous on proposals.
- » Although Indigenous businesses are on a pre-qualified list, they are never contacted, while other suppliers receive the opportunities over and over.
- » Poor relationships with government have shut Indigenous communities out of the market and put up barriers against effective competition.



## Theme 2: Enhancing Procurement Processes to be More Accessible to Indigenous Businesses and Communities

*“The format does not reflect cultural or community ways of building capacity or delivering services and are unduly bureaucratic and fail to incorporate principle of social capital and community good or compatibility.”*

Participants discussed how enhancing all procurement processes to be more accessible to Indigenous businesses and communities – from the development and notification of opportunities, to the bid submission, evaluation and selection process, through to contract completion and reporting – can contribute to improved effectiveness in the delivery of goods and services. Specific areas of focus included: refining proposal processes to be more transparent and straightforward, evaluating the appropriateness of both the scale and scope of procurement and contracts (e.g. considering whether multiple small contracts may lead to better outcomes than one large contract), and aligning bid content with desired project outcomes.

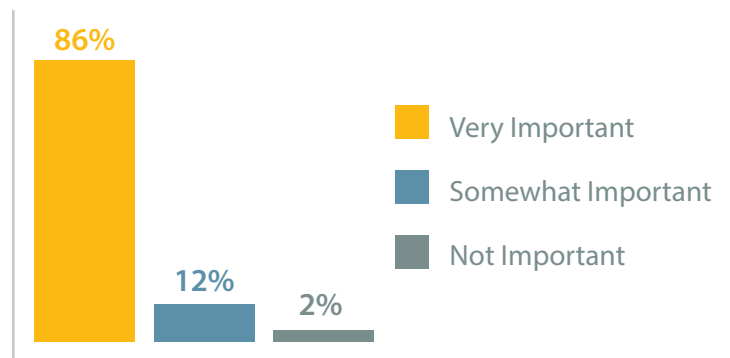
### Refining the Proposal Process

*“First of all, opportunities are seldom communicated. Second, there is a bias towards awarding contracts to established larger organizations. Since funding is term-oriented, many people with potential cannot leave existing assured work to take on these contracts.”*

A strong theme emerged regarding the difficulties that Indigenous businesses and communities encountered during the RFP and other types of procurement processes. A total of 45% of survey respondents indicated that the length of the provincial government procurement process is a challenge; and, 58% indicated that the complexity and/or work required to respond to procurement opportunities is a challenge. Participants expanded on the opportunities and challenges with the proposal and RFP processes as follows:

- » Proposal requirements are often vague. The criteria seem to have not been written by experts in the field, so trying to grasp what proposals require is highly difficult.
- » The RFP structure varies depending on the industry and ministry, so even in situations when people understand how to submit an RFP, many struggle to apply this approach to other fields.
- » The BC Bid website makes it challenging to discover relevant opportunities; BC Bid does not provide relevant alerts/notification.
- » The BC Bid process is overwhelming and cost prohibitive.
- » The ability to write a successful proposal is not linked to the ability to successfully complete the contract, as the skill sets required often do not overlap. Some participants suggested that there is an opportunity to shift the culture within the BC government to allow for multiple formats of proposals, including sections that are video, audio, or face-to-face.

### Importance of Developing More Streamlined Application Processes



## Competing in the Market (Scale and Scope of Contracts)

Participants identified the value and scale of contracts as a barrier to Indigenous participation in the procurement process. This was particularly true for Indigenous organizations, where 18% of survey respondents indicated that the size of contracts – whether too large or too small given the circumstances – was a challenge. In comparison, 4% of economic development corporations, and band or tribal councils identified contract size as a challenge.

Some participants noted examples of how the criteria for proposal evaluations seem biased towards larger, already-existing businesses:

- » Providing the required information months in advance, such as insurance, proper credentials, and the resources involved, proves challenging for smaller Indigenous businesses.
- » Large companies with access to established business relationships, large budgets and developed workforces, have the advantage to win the vast majority of contracts.

## Bid Content and Project Outcomes

Participants shared observations of the mismatch between a bid's content and proposed project outcomes, particularly where the goods or services being procured are intended for Indigenous people or communities:

- » The reliance on price or cost does not consider the impact of a contract on Indigenous communities and organizations. Measures that include culturally and socially important criteria could assist in bridging this gap.
- » Bid price seems to often be the only factor that matters to government procurement when other cultural and community-development processes are as critically important. Engaging Indigenous communities about their needs and objectives and integrating those into community plans on which to base government contracts could help balance bid evaluation criteria and community objectives.
- » Participants noted that, by developing bid content that aligns with intended project outcomes, there are opportunities to create new relationships in Indigenous communities while maintaining already established ones.





## Theme 3:

# Creating Space in the Process for Indigenous Businesses and Communities

*Emergency services (firefighting) was a common source of frustration, with many participants sharing experiences of having qualified local workers who were unemployed while non-local workers were provided with valuable opportunities.*

Participants identified a strong need to create space for Indigenous peoples to participate fully and meaningfully in all aspects of the procurement process. The focus of discussions on creating this space included:

- » emphasizing Indigenous content and perspectives throughout the procurement process;
- » acknowledging the importance of relationships between Indigenous partners – including organizations, businesses and communities – and stakeholders; and,
- » the potential to co-create processes that enable capacity building on all sides.

## Indigenous Content

*“There are bigger barriers for First Nations [to be] able to enter larger sorts of procurement opportunities (i.e. IT), and without targets - there [are no incentives] for BC to procure from Indigenous businesses.”*

Increasing Indigenous content throughout the procurement process emerged as a strong theme across regional sessions. The inclusion of Indigenous perspectives and content, along with a vision for decolonizing mindsets to encourage new perspectives, were among the ideas expressed as to how the procurement process could move forward. Including Indigenous criteria and meaningful participation during all steps of the process, including in RFPs and contract evaluation beyond a “tick-box” mentality, was identified as highly important.

- » By strictly focusing on efficiency or administrative convenience in the procurement process, there is little room for Indigenous businesses to compete. Indigenous content criteria need to be considered in order to create space for Indigenous businesses and communities.
- » There is a disconnect between education and actual experience, the latter of which is not evaluated in some tenders; the evaluation criteria may not, therefore,

reflect Indigenous skills and experience, nor their ability to complete the work.

- » Participants suggested that there is an opportunity to include weighted Indigenous criteria (including Indigenous knowledge, values, culture, employment, social benefit and training) in the evaluation of proposals.
- » Many participants stressed the importance of avoiding the reduction of Indigenous businesses and communities to numbers or “check-box” items on a contract. Instead, government needs to ensure that procurement opportunities allow for meaningful participation from – and benefit for – Indigenous partners.

## Relationships between Partners and Stakeholders

*“Relationship building prior to putting out [an] RFP, or during process, is very limited so it is hard to tell if there is alignment of values.”*

Within the provincial government procurement process, there are myriad relationships, including those between governments, communities, organizations, business owners, and citizens – both Indigenous and non-Indigenous. Participants at the regional sessions highlighted the importance of building strong, mutually beneficial relationships throughout the process that respect Indigenous culture, such as between Indigenous businesses and communities and government employees who are responsible for purchasing goods and services.

- » Participants ranked the development of relationships as an extremely important component of Indigenous culture. The inability to develop relationships often excludes Indigenous businesses and communities from responding to procurement opportunities; specifically, the impersonal and transactional nature of the BC Bid system is a barrier.
- » Participants shared their frustration with the inability to connect directly with buyers, both to ask questions and to learn more about opportunities and expectations.
- » There is an opportunity for the BC Government to foster partnerships between Indigenous organizations and between Indigenous and non-Indigenous organizations and develop their capacity to respond to procurement opportunities.





## Theme 4: Strengthening Relationships, Open Communication and Transparency

*“.. it feels like being invited to a party, but not being told the address”*

Participants throughout the engagement process highlighted the importance of developing trust, and of promoting and strengthening relationships within the BC procurement process through open and transparent communication. Key themes included the need to support Indigenous capacity development, along with clear, timely and appropriate communication, and the need to also improve the feedback process for unsuccessful proposals. This would help to further support capacity development and assure transparency.

### Indigenous Capacity Support

Throughout the engagement process, building capacity for Indigenous businesses to respond to procurement-related opportunities was highlighted as a keystone of success for a coordinated approach to Indigenous procurement. In fact, 42% of survey respondents indicated that a lack of capacity to participate in or respond to an opportunity was a challenge they had experienced with BC government procurement processes and practices. Opportunities to support capacity development at a community level and at an Indigenous business-owner level were explored.

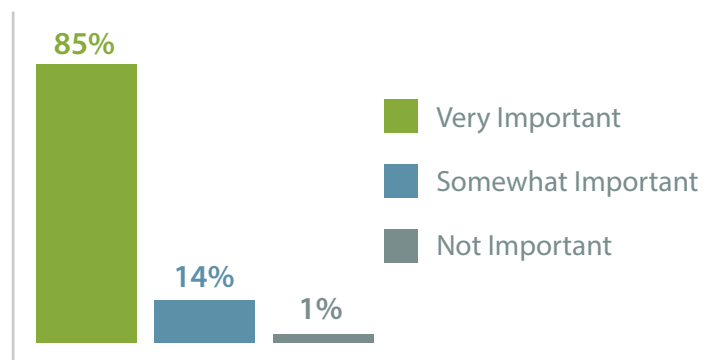
- » Most participants identified lack of resources (financial, human, time) as a significant barrier when responding to procurement opportunities.
- » Indigenous participants identified the need to empower Indigenous communities by helping to raise awareness of the procurement process, including building their capacity to respond to opportunities and write successful proposals that are aligned with their communities' values.
- » Participants at all sessions discussed the value of having staff liaisons, potentially based in each ministry, to support procurement processes that involve Indigenous businesses and communities.

- » Mentorship and support for Indigenous entrepreneurs and contractors is required to navigate the BC government's procurement process. Indigenous businesses and communities could receive "support from the start" so they can flourish in the industry. This support could include regional offices being staffed with Indigenous and community-focused liaison officers who can help communicate opportunities and assist Indigenous communities with applying for government contracts.

Participants also identified that the capacity required to participate in current government procurement processes can be a barrier to Indigenous business' participation in those processes, but does not necessarily indicate that there is a general lack of capacity within the Indigenous business.

This suggests that an approach that not only supports Indigenous businesses that need or desire to build their capacity, but also reduces the human, financial, and time resources required to participate in government's procurement processes, would be useful.

### Importance of Improving Access to Capacity-Building Opportunities For Indigenous Businesses



## Feedback on Unsuccessful Bids

Discussions in the regional engagement session addressed each phase of the procurement process, from awareness to contract finalization. Participants shared their experiences with the phase for notification of successful and unsuccessful bids:

- » When proposals were not successful, Indigenous businesses and communities found it challenging to contact someone to receive feedback; many participants were not even aware of the opportunity for a debrief after an unsuccessful bid.
- » Only the prime contractor received feedback, which means that sub-contractors could not directly receive information from the organization that published the opportunity.
- » If businesses and communities did receive information on what to improve, it was still difficult to implement and decipher how to meaningfully apply the feedback to future proposals.

## Communication and Transparency

Participants conveyed the importance of timely, appropriate and transparent communication, from before an opportunity is posted through to the post-contract phase. Specifically, 78% of survey respondents indicated that the limited awareness of upcoming procurement opportunities was a challenge with the current procurement process.

- » Participants expressed frustration about the lack of transparency during government's proposal-evaluation and contract-award processes. This included a lack of clarity on scoring, along with concerns with potential conflicts of interest between those who write the RFPs, score the proposals and award the contracts.
- » Participants expressed the need for the evaluation process and criteria to be clear, transparent and well-defined (i.e. regarding the points allocation).
- » Participants were concerned about a lack of clarity on the outcomes of bid processes, including dollar amounts awarded and who the successful vendors were.
- » Participants also identified concerns about government's ability to track and enforce Indigenous employment or similar Indigenous content currently included in the contracts, in order to ensure obligations are actually met by contractors.



## Theme 5: Emphasizing Local Indigenous Procurement

Although there was no consensus across regional engagement sessions and the online survey regarding the criteria or structure of a place-based approach to Indigenous procurement, a strong theme emerged around the importance of recognizing and acknowledging local and Indigenous knowledge, as well as focusing on communicating opportunities to Indigenous communities, organizations and businesses.

### A Place-Based Approach

*A participant shared their story of a culturally important contract going to a larger out-of-province contractor, even though the community organization had the experience and skills to complete the work.*

In total, 32% of survey respondents indicated the value (or lack of value) placed on local knowledge and expertise as a significant challenge in the procurement process. Participants also identified the following opportunities and challenges:

- » A lack of provision for local and Indigenous knowledge in the procurement process.
- » The appropriateness of locally focused procurement and contracts.
- » Some participants proposed that local Indigenous involvement should be an important criterion for evaluating proposals. However, other participants suggested that this could exclude some experienced Indigenous businesses and communities.
- » Participants suggested that centralized decision making prevents the flexibility that is needed to meaningfully include Indigenous components, such as valuing local knowledge and context.
- » Concerns were raised regarding the inefficiency of non-local contractors performing work in Indigenous communities, resulting in missed opportunities for education, capacity development and training.

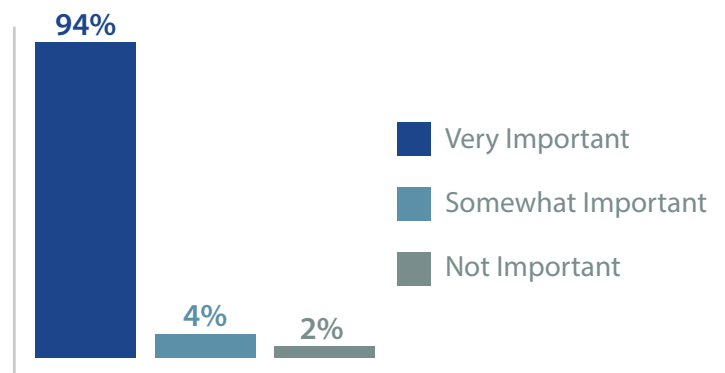
### Inclusion

*"[It is] very difficult to respond [to an opportunity] as an Indigenous business without partnering with a non-Indigenous entity, thereby sacrificing our identity and culture..."*

The theme of inclusion was woven throughout the regional sessions. In total, 94% of survey respondents indicated that it was "very important" to improve access to procurement and contracting opportunities for local Indigenous businesses. Improved access could include communicating opportunities in timely, appropriate and accessible ways:

- » Opportunities are not reaching Indigenous businesses and communities, due to capacity barriers, time-frame concerns, or lack of communication with Indigenous communities by government.
- » Opportunities could be shared both more broadly and in a more targeted manner, including through pre-qualified lists, reaching out to Indigenous community organizations, and making opportunities easier and faster to find on BC Bid.

### Importance of Improving Access to Opportunities For Local Indigenous Businesses In the Province's Coordinated Approach to Indigenous Procurement



## What's Next?

The ideas and suggestions, stories, experiences, concerns, and hopes reflected in this report will help inform the development of a coordinated BC Government approach to procurement with Indigenous businesses and communities.

It is obvious from the engagement process so far that there is much the Province can do to reduce barriers to Indigenous business and community participation in its procurement opportunities.

It is also clear that collaboration should be the foundation of the Province's approach to developing the policies, practices, and programming needed to reduce those barriers.

Therefore, the British Columbia Procurement Strategy Update will reflect actions for the coming year that will help set this foundation of collaboration, and help design, guide, and implement further actions informed by what we heard.

Thank you, again, to all those Indigenous partners, organizations, community representatives, business owners and others who generously contributed to this report and the Indigenous Procurement Initiative.

# Appendix A: Ideas and Suggestions for the Indigenous Procurement Initiative

Throughout the engagement process, participants shared their vision for the future and how the BC Government might increase Indigenous participation in its procurement processes. The ideas and suggestions listed in this Appendix reflect the feedback the Province received towards that goal and will help inform the development of a coordinated government approach to procurement with Indigenous businesses and communities. Many of the ideas and suggestions collected have the potential to improve the experience of taking part in government procurement processes for government staff and for Indigenous and non-Indigenous businesses alike. Moreover, some of the ideas and suggestions may not be specific to Indigenous businesses and communities alone. The ideas and suggestions have been divided amongst the five key themes and even further amongst the topics of policy, practice, or programming based on which theme they most relate to and what topic the suggestion may most likely impact.

## Theme 1: Valuing Indigenous Culture and Knowledge

### Policy ideas and suggestions from participants/respondents:

- » Whenever possible, implement and measure Indigenous content requirements in procurement and contracting processes.

### Practice ideas and suggestions from participants/respondents:

- » Communicate the link between procurement and reconciliation (justification and building support).
- » Contemplate using an approach that incorporates Indigenous knowledge and values, rather than simple dollar-based decision making.
- » Incorporate elements of cultural safety and relevance in the procurement process as a whole.
- » Procurements serving Indigenous peoples or communities should include Indigenous content, such as:
  - measuring the value of Indigenous participation and knowledge and ensuring its value is recognized;
  - location-based criteria with preference for local proponents;
  - Indigenous-focused evaluation criteria.
- » Indigenous businesses should be evaluated on their own merits and not treated as though they are all the same.
- » Criteria for selecting contractors should take into consideration personal suitability (not just credentials).
- » Apply a reconciliation lens throughout the procurement process – i.e. the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) and Truth and Reconciliation Commission (TRC) of Canada's calls to action.
- » Include (local) Indigenous people on evaluation committees for procurements, wherever possible.
- » Review existing procurement processes and materials for latent bias or limitations. Continually learn and improve.

### Programming ideas and suggestions from participants/respondents:

- » Develop government staff's understanding of Indigenous culture and values.
- » Develop government staff's and vendors' cultural understanding to mitigate the possibility for racism, intolerance and biases.
- » Avoiding broad generalizations and educate non-Indigenous people about Indigenous nations and cultures in areas such as protocols and values.
- » Consider including economic development officers, business representatives, or other Indigenous representatives in government business advisory groups/panels where major projects are occurring.

## Theme 2: Enhancing Procurement Processes to be More Accessible to Indigenous Businesses and Communities

### Policy ideas and suggestions from participants/respondents:

- » Review the Indigenous procurement models and practices of other jurisdictions and organizations to determine if their successful approaches can be copied.
- » Consider reviewing the dollar-value thresholds above which procurements need to be broadly competed.

### Practice ideas and suggestions from participants/respondents:

- » Build flexibility into the procurement process in a way that is culturally relevant and reflects a humanistic approach to procurement.
- » Explore developing a process that provides anonymity of submissions in order to mitigate any possibility of bias.
- » Use simplified, plain language in all procurement and use Indigenous-specific language, where relevant.
- » Simplify procurement and contracting processes to be more accessible and require fewer resources to find and bid on contract opportunities and manage contracts.
- » Develop a mechanism to provide a pre-check of proposals for basic completeness before they're submitted.
- » Consider reviewing current RFP structures and formats using subject-matter experts who are experienced in the industry or sector being reviewed.
- » Provide clear and simple descriptions of the procurement process, including the contract award decision-making process.
- » Ensure that the requirements and evaluation criteria, including scoring and weighting, are clearly communicated in each procurement.
- » Explore procuring large projects and procurements as multiple smaller procurement opportunities in order to be more accessible to smaller Indigenous businesses or communities.
- » Consider using multi-stage procurement processes with simple initial qualifying stages so vendors can quickly identify their likelihood of success prior to having to devote time and resources to developing a full detailed proposal. For example, a two-part RFP that has a simple first part (1-2 hours work) and then the shortlisted vendors move to the next stage of the process to provide more detailed submissions.
- » Consider how small, non-material errors in proposals could be communicated to vendors and provide them with an opportunity to correct those errors.
- » Ensure that the most appropriate procurement methods are used, given the context of a particular procurement. e.g. a standard RFP may not be appropriate in all cases.
- » Provide clarity to government buyers about the Indigenous-specific exceptions that are available to them through trade agreements.
- » Consider more effective implementation of the procurement process, including follow-up and debriefings for unsuccessful proponents and for the contractor at the end of the contract term.
- » Pre-qualified lists should not expire.

### Programming ideas and suggestions from participants/respondents:

- » Ensure that online procurement systems and related documentation and training resources are user-friendly.
- » Provide support, such as access to proposal writers, to help proponents build their capacity to respond to procurements.
- » Provide Indigenous businesses with training on understanding and responding to government's procurement processes.
- » Contemplate making supports (e.g. procurement process tutorials and program staff) available throughout the entire procurement and contracting process.
- » Actively engage with Indigenous businesses and communities, if needed, to help build their capacity to respond to contract opportunities and deliver contract work.

## Theme 3: Creating Space in the Process for Indigenous Businesses and Communities

### Policy ideas and suggestions from participants/respondents:

- » Include Indigenous content in procurement policy.
- » Focus on Indigenous content rather than a definition of Indigenous business, e.g. consider whether and how Indigenous peoples and communities are included or impacted by a vendor's structure or proposed way of delivering the goods or services.
- » Consider setting aside contract opportunities for award to or competition amongst and award to Indigenous businesses (potentially 2-5% of contracts).
- » Increase opportunities for small Indigenous businesses to be direct awarded contracts.
- » Consider defining or developing criteria for what is considered an "Indigenous business" and how to ensure businesses meet the criteria.

### Practice ideas and suggestions from participants/respondents:

- » Procurements serving Indigenous peoples or communities should include Indigenous content; for example, consider criteria linked to the UNDRIP and the TRC Calls to Action.
- » Include mechanisms to track and report noncompliance with Indigenous procurement content.
- » Consider co-management opportunities, such as including First Nations in tendering processes and resource management within their traditional territories.
- » Contemplate allocating certain portions of the scope of contract services to Indigenous businesses.
- » Consider a requirement for contractors to hire Indigenous subcontractors.
- » Maximize the social benefits, capacity building, and increased prosperity of Indigenous people, businesses, or communities that procurement and delivery of the goods or services can provide. For example, consider how a procurement process might value practices like job shadowing and mentorship, improving local capacity, and providing new assets or resources to a community.

### Programming ideas and suggestions from participants/respondents:

- » Support sharing of success stories related to Indigenous procurement opportunities.
- » Consider having liaison officers based in each ministry, or developing regional offices staffed with Indigenous community-focused liaison officers to communicate procurement opportunities and help Indigenous businesses to access, navigate and respond to them.
- » Hold community information sessions on procurement opportunities and processes.
- » Consider providing monetary compensation to vendors who are shortlisted in procurements, in order to provide further incentive to bid and offset the costs for small Indigenous businesses.
- » Collaboratively plan procurement processes between the Province and Indigenous organizations. For example, identify Indigenous businesses that are interested in a particular opportunity and discuss with them how they could deliver the work required together or separately with or without going through a competitive process (if possible).
- » Promote partnerships amongst Indigenous organizations at a local level to support success.
- » Consider promoting joint ventures and other partnerships between Indigenous and non-Indigenous businesses.
- » Consider developing a tool that provides a list of established Indigenous businesses.
- » Establish a list of pre-qualified Indigenous contractors.



## Theme 4: Strengthening Relationships, Open Communication and Transparency

### Practice ideas and suggestions from participants/respondents:

- » Create more opportunities for Indigenous businesses and communities to communicate directly with buyers to build relationships, clarify requirements and ask questions. For example, hold meetings between vendors and Indigenous businesses and communities from the design phase through to the public release of procurement opportunities.
- » Provide examples of successful proposals as guidelines and inspiration for vendors.
- » Consider announcing annual, regional and sector-specific opportunities in advance, to allow Indigenous businesses and communities to plan ahead.
- » Broadly communicate cyclical timelines and contract-renewal dates in advance.
- » Incorporate open communication into clear and transparent procurement processes.
- » Inform Indigenous business and communities when there are procurement opportunities such as contracts, set aside or competitions, that are specific to Indigenous businesses or communities.

### Programming ideas and suggestions from participants/respondents:

- » Share success stories of Indigenous partnerships to encourage relationship-building and partnerships.
- » Encourage processes that are based on people and relationship building and are tied to Indigenous cultural values, rather than impersonal online processes that may discourage Indigenous participation.
- » Empower government staff to be flexible and innovative in their approaches to procurement with Indigenous peoples and communities.
- » Provide mentorship and outreach to vendors throughout the procurement and contracting process.
- » Explore making supports (e.g. taxation and CPP accounting/administrative advice) available for small Indigenous businesses.
- » Consider making supports available (e.g. program staff to help Indigenous businesses to participate in procurement processes when they have a capacity issue).
- » The Province should consider attending and being involved in trade events to support and encourage partnerships.
- » Consider developing a government-to-government executive committee on procurement processes.
- » Consider how the length of contracts and the process of re-competing them can impact the populations served through the contract.
- » Consider how the procurement process and cycle could impact the stability and operations of service providers.



## Theme 5: Emphasizing Local Indigenous Procurement

### Policy ideas and suggestions from participants/respondents:

- » Consider setting aside contract opportunities within respective regional/geographical areas for award to, or competition amongst, Indigenous businesses or communities that are specifically impacted by the contract opportunity.
- » Consider setting aside portions of larger contracts for award to, or competition amongst, small Indigenous businesses that might not have the capacity or interest to access the larger contracts.
- » Encourage innovation and businesses/organization relationship development, rather than competing among organizations. For example, identify the outcome government is trying to achieve and consider whether multiple organizations with mandates aligned to that outcome could be encouraged to partner, design a service together to meet that outcome, and together receive a contract to deliver that service.

### Practice ideas and suggestions from participants/respondents:

- » Develop principles to include in evaluation criteria.
- » Consider the local and community impacts when planning procurements and evaluating proposals.
- » Particularly for social or cultural services, involve impacted communities, peoples and local service providers during pre-procurement planning such as requirements gathering and identification of relevant outcomes.
- » Consider procurements and planning using a social and community-benefit lens.
- » Contemplate tailoring RFPs to the communities that will benefit from or be affected by the projects.
- » Develop regional and local lists of Indigenous businesses that buyers and vendors can use to identify potential contractors and subcontractors.

### Programming ideas and suggestions from participants/respondents:

- » Use a “bottom up” approach to procurement and planning that allows regional and local businesses and stakeholders to be involved and provide input.
- » Consider highlighting the location of procurement opportunities and providing a notification system to alert local businesses.
- » Ensure that contract sizes and content are scoped to allow for the participation of local Indigenous businesses.
- » Consider customizing opportunities to reflect the needs of each region or sector.

# Appendix B: Engagement Methodology

The engagement process was informed by preliminary conversations with Indigenous partners and was comprised of: nine regional engagement sessions held in communities across BC, in-depth conversations and a widely distributed online survey. The methodologies for each type of engagement are outlined in this Appendix.

## Regional Engagement Sessions

Arthur Mercer, Dr. Brent Mainprize and Bodie Elliott of the National Consortium for Indigenous Economic Development designed and facilitated the engagement sessions. Over the course of seven hours, facilitators worked with participants through a series of exercises designed to facilitate a thoughtful discussion and provide an inclusive atmosphere for participants to share their experiences with procurement processes.

### Introductions

After being welcomed by an Elder in each respective territory, the facilitators led the group in an introduction exercise, which allowed for vibrant discussions and networking, where participants introduced each other after a brief talk about their goals and desired key takeaways for the day.

### Setting the Stage

MIRR and CITZ staff introduced the overarching purpose of the IPI (Indigenous Procurement Initiative) sessions, outlining its connections to the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), the Truth and Reconciliation Commission (TRC) and Ministry mandates – along with government’s efforts to incorporate these mandates into policies, programs and practices. The connection between the recently released BC Procurement Strategy (2018) and the need to both increase Indigenous participation and develop a coordinated government approach to Indigenous procurement was clear.

### Defining Indigenous Procurement

Participants were invited to reflect on two questions: what is Indigenous procurement, and how is Indigenous procurement unique from other procurement? After being provided time in small groups to consider and discuss, a broader group discussion captured insights and dug deeper into the definition of “Indigenous procurement”, from an Indigenous perspective.

### Two Roles/Perspectives

The facilitators led the groups in a series of exercises to encourage participants to unpack goals, challenges and opportunities for Indigenous businesses and communities, as well as for government employees, and share their ideas to help all parties succeed.

### Indigenous Perspective and Experience – The Procurement Process

The facilitators led a discussion regarding the procurement process, from an Indigenous proponent’s perspective. Participants were asked to share their own experiences or use a case example to consider challenges and opportunities at each of the identified stages of the procurement process.

## Sectors

Session participants were asked to identify sector opportunities specific to their respective regions. As a group, participants first discussed the main area of interest and then informally began discussing challenges and opportunities in additional sectors.

## Other Approaches/British Columbia Context

Participants discussed the definition of an “Indigenous business,” and how definitions have been found useful or limiting.

Participants also shared their experiences with approaches to Indigenous procurement that are used by other jurisdictions, industry or agencies, such as setting-aside contracts for Indigenous businesses or communities and including Indigenous-specific criteria and requirements.

## Sessions Conclusion

Throughout the day, facilitators recorded participants’ ideas and recommendations regarding the Indigenous procurement process and invited participants to reflect on these recommendations and discuss further.

MIRR and CITZ staff concluded the session with a brief discussion and an overview of the next steps in the IPI process, including that the participants’ insights, ideas and suggestions would be used to inform the development of recommendations for the BC Government.

Participants were also invited to complete a survey, or follow-up with additional comments by email.

## Online Survey

The IPI survey was delivered online, with invitations to contribute sent via email and extended to participants at regional workshops and to those who expressed interest in participating in the engagement. The survey consisted of 15 questions, which aimed to access the same thoughts, experiences, challenges and opportunities as in the regional sessions.

## Online Survey Questions

1. Please identify the groups that best describe you, or the organization or business you are representing in completing this survey.
2. What sector(s) do you, your organization or business primarily work in?
3. Please identify the economic areas in which your business or organization primarily operates or conducts business. See map for reference.
4. The provincial government has a variety of types of procurement requests and applications. Which of the following are you aware of, have experience with or would like to know more about?
  - a) Invitation to tender, Invitation to Quote, Request for Proposal, Notice of Intent, Request for Qualification, Short-form Request for Proposal, Request for Expressions of Interest, Request for Standing Offer.
  - b) Of what other procurement requests and applications are you aware?
5. How often do you generally respond to provincial government procurement requests, applications and processes?

6. a) What are some challenges you have experienced with provincial government procurement processes and practices? b) Are there any specific challenges for Indigenous business or community participation in provincial government procurement opportunities? c) If yes, please explain.
7. What are some opportunities or success stories you have experienced or are aware of with provincial government procurement processes and practices?
8. Specific to your sector or industry, please answer the following: a) What types of provincial government procurement opportunities are you aware of in your sector/industry? b) In general, does your sector/ industry experience challenges with provincial government procurement processes? c) If yes, please explain.
9. a) Are you aware of the Province's Aboriginal Procurement and Contract Management Guidelines? b) Do you have comments on what works well or is a challenge with the Province's Aboriginal Procurement and Contract Management Guidelines?
10. With respect to Indigenous procurement strategies and practices that are used by other governments (e.g. other provinces, federal government and municipalities), Crown corporations or broader public-sector (e.g. health authorities, universities, transit) organizations: a) What strategies and practices have you seen work well? b) What strategies and practices have been challenging? Please explain. c) What would you like to see done differently?
11. Below are some examples of definitions of "Indigenous business" used in other jurisdictions. How would you rate their usefulness?
  - a) Minimum 51% Indigenous owned
  - b) Minimum 51% Indigenous employed
  - c) Self-identified as Indigenous
  - d) Please provide additional detail why you selected your responses above.
12. Do you have any other suggestions for the definition of "Indigenous business" for consideration?
13. In your opinion, how important is it that the following objectives be included in the Province's coordinated approach to Indigenous procurement?
  - a) Improve access to opportunities for local Indigenous businesses
  - b) Work with Indigenous businesses to increase environmentally beneficial practices
  - c) Develop more streamlined application processes
  - d) Incorporate culturally sensitive procurement processes and practices
  - e) Improve access to capacity-building opportunities for
  - f) Indigenous businesses
  - g) Increase apprenticeship opportunities
  - h) Increase skills training opportunities
  - i) Improve access to employment for local Indigenous workers
  - j) Establish guidelines, regulations or policies to support
  - k) Increased procurement with Indigenous businesses, communities and organizations.
14. Overall, what other approaches or considerations do you think are essential for increasing Indigenous participation in the provincial government's procurement opportunities?
15. Do you have anything additional you would like to share for consideration in the development of the provincial government's coordinated approach to procurement.

