



PROCUREMENT STRATEGY FOR ABORIGINAL BUSINESS

PRESENTED BY:

BUSINESS DEVELOPMENT DIRECTORATE

BRAD CLINE – DIRECTOR

April 25, 2017



INAC·AANC



OVERVIEW

Organizational Overview/Business Lines

- Introduction
- Business Development Directorate
- Positive Trends in Federal Procurement
- Value of PSAB Set-aside Contracts by Province/Territory (2016)
- Tools & Approaches

Major Opportunities

- National Defence Procurement Strategy; Shipbuilding; Saskatchewan Tribal Council; Aboriginal Tourism, etc

Supporting the Legal, Policy and Research Agenda

- Aboriginal Financial Institutions; Aboriginal Participation Components; Contaminated Sites; First Nations Tendering Policy (FNTP); Bid Bonding, etc

Opportunities for Collaboration

- Remarks & Observations
- Areas for Collaboration
- Conclusion
- Annexes



INTRODUCTION

Procurement is a powerful catalyst for business development, allowing businesses to build a track record, client base and unlock access to federal, provincial and private sector opportunities and capital

- Efficient, low cost, high rate of return
- Active economic participation – wealth and employment creation, leverage Active Measures, lessen reliance on social transfers
- Market driven, helping build the Aboriginal business sector

A focus on meaningful and achievable participation that builds and strengthens Aboriginal business capacity

- Capacity leads to competitiveness
- While Aboriginal businesses start off utilizing the PSAB set-asides, many eventually compete on the mainstream (non set-aside) with other businesses - on an equal playing field

Strategic links across the program suite

- Community Opportunity Readiness Program (CORP), Strategic Partnerships Initiative (SPI), Aboriginal Entrepreneurship Program (AEP)
- Close relationships with Aboriginal Financial Institutions



INTRODUCTION

Aboriginal businesses

- Over 43,000 Indigenous owned businesses in Canada (Indigenous self-employed - 2011 census)
- Created over 30,000 jobs between 1996 and 2009 as Aboriginal businesses hire primarily Aboriginal employees (62% of their workforce)
- While Aboriginal people continue to start businesses at a rate greater than the Canadian average, gaps persist in the relative number of businesses and overall participation in the Canadian economy
- Initiated an approach to strengthen and modernize approach to Aboriginal procurement
 - Not static, continues to evolve
 - Well grounded in broader government priorities and policy direction

“The significant number of success stories in Canada demonstrate clearly the value of a supportive, proactive procurement strategy and the exceptional long-run economic impact that can result when government investment is well-targeted.” (Jenkins, 2013)



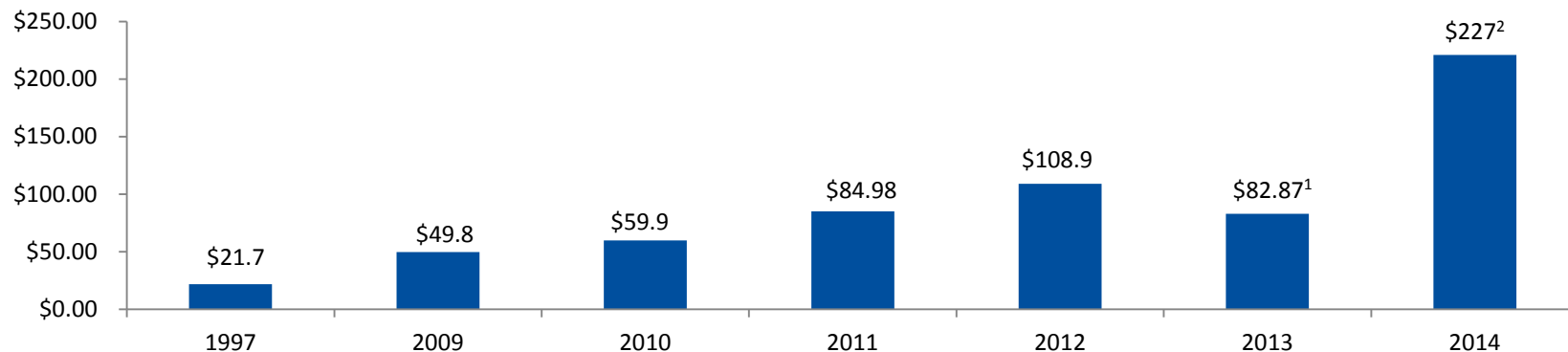
Four Key Approaches to PSAB

- The PSAB employs **four key approaches** to increase Aboriginal business participation in federal procurement: *mandatory set-asides; voluntary set-asides, joint venturing; and subcontracting criteria.*
- Aboriginal businesses must meet **eligibility criteria** (related to ownership and control, and proportion of Aboriginal workforce).
- Federal departments and agencies that purchase more than \$1 million in goods, services and construction establish **annual targets** related to the PSAB.
- INAC works closely with departments to **set reasonable and achievable objectives**, and advises on Aboriginal business capacity.

“At a relatively small cost to government and taxpayers, PSAB helps to strengthen Aboriginal business bidding capacity, competitiveness, and Aboriginal employment.”

- Promise and Prosperity (2011).

POSITIVE TRENDS IN FEDERAL PROCUREMENT



Aboriginal Procurement Figures (Set-Asides)	
2014	\$227 Million ²
2013	\$82.87 Million ¹
2012	\$108.9 Million
2011	\$84.98 Million
2010	\$59.91 Million
2009	\$49.77 Million
1997	\$21.70 Million

More than \$5.2 billion in Aboriginal procurement since inception

Value of PSAB set-aside contracts 2009-2014: Doubled and increased by over 295%

1767 Aboriginal businesses registered in the Aboriginal Business Directory (ABD)

Aboriginal businesses are winning non set-asides: Value of incidentals range from \$400 – \$800 Million.

¹ This decrease in procurement is representative of an overall decrease in government procurement of nearly \$1B in 2013. Small and Medium Enterprises saw a decrease from \$6.4B in 2012 to \$4.5B in 2013. The relatively smaller decrease in Aboriginal procurement can be attributed to the effectiveness of the PSAB program and the strength of Aboriginal business capacity in Canada.

² Numbers provided by PSPC to be verified by departments.



POSITIVE TRENDS IN FEDERAL PROCUREMENT

Departmental Performance

- PSAB departmental performance objectives vary from year to year depending on budget levels, procurement needs, and Aboriginal capacity
- Departments submit their PSAB report outlining their performance objectives as required of them in May/June each calendar year

Departments that...	Reported on their PSAB Performance	Set Performance Objectives	Met/Exceeded Targets
2010	95%	86%	67%
2011	94%	83%	82%
2012	94%	96%	83%
2013	95%	79%	19%*

* Transitioning to a new reporting strategy caused a number of discrepancies for reporting departments as well as the transition to Shared Services Canada.

From 2009 to 2012, there was a 74% increase in terms of dollar value of PSAB departmental performance objectives



VALUE OF PSAB SET-ASIDE CONTRACTS BY REGION (2013)

Provinces	<i>PSPC – Acquisitions Program</i>	<i>OGD</i>	<i>Totals</i>
<i>N/A– Region not identified.</i>	\$0.25	\$30.11(2)	\$30.35
<i>British Columbia</i>	\$3.48	\$10.83	\$14.31
<i>Manitoba</i>	\$8.49	\$4.95	\$13.44
<i>Alberta</i>	\$1.16	\$7.15	\$8.31
<i>Ontario</i>	\$3.91	\$3.83	\$7.74
<i>Quebec</i>	\$2.42	\$1.46	\$3.88
<i>Saskatchewan</i>	\$0.00	\$2.16	\$2.16
<i>New-Brunswick</i>	\$0.00	\$1.68	\$1.68
<i>Nova Scotia</i>	\$0.03	\$0.40	\$0.43
<i>Newfoundland Labrador</i>	\$0.00	\$0.38	\$0.38
<i>Nunavut</i>	\$0.05	\$0.12	\$0.16
<i>Yukon</i>	\$0.00	\$0.03	\$0.03
<i>Grand Total (\$M)</i>	<i>\$19.79</i>	<i>\$63.10</i>	<i>\$82.86</i>



TOOLS & APPROACHES

Aboriginal Business Directory (ABD)

- Open to the public, the ABD now functions as a search engine to identify Aboriginal business suppliers and capacity
- Conduct capacity searches to identify Aboriginal business capacity and to negotiate Aboriginal Participation Components and Aboriginal set-aside contracts
- Dashboard for customized access to PSPC’s Business Analytics (BA) application to improve data quality and efficiency and meet future PSAB reporting requirements

Total number of capacity searches to date	289
Total number of Aboriginal businesses registered (As of April 2017)	1767

Marketing and Outreach

- INAC now works closely with businesses and stakeholders to undertake Aboriginal supplier development activities
- Awareness building activities: trade events, webinars, teleconference, PSAB training video ([link to training video](#))

Total number of outreach events in 2015/16	39
Total number of outreach with OSME in 2015/16	12

National Coordinators Network

- To establish a closer and more customized relationship with the federal departments and agencies involved with the PSAB
- Coordinate and convene the quarterly PSAB Coordinator Network meetings and the National PSAB Coordinator Network face-to-face meeting (November 2013)

Total number of PSAB Coordinators across various federal departments and agencies	94
---	----



TOOLS & APPROACHES

Interventions in Major Federal Procurement

- The BDD assists federal departments in applying PSAB policy by participating in Procurement Review Committees (PRCs), assessing Aboriginal business capacity, and identifying opportunities for set-asides or Aboriginal Participation Components.
 - PRCs apply to contracts valued over \$2 million

- From fiscal year 2009-10 to fiscal year 2013-14, the BDD reviewed 1728 planned procurement opportunities through the means of the PRCs.

Year	PRC Reviews	Pre-determined (% of total)	Interventions (% of total)	Set-asides post-intervention (% of total)	Total set-asides (% of total)
2009-10	433	4.2%	9.0%	0.2%	4.4%
2010-11	360	5.0%	10.0%	3.3%	8.3%
2011-12	277	11.9%	14.8%	7.9%	19.8%
2012-13	336	8.6%	25.9%	4.5%	13.1%
2013-14	322	8.7%	13.7%	2.2%	10.9%



TOOLS & APPROACHES

Interventions in Major Federal Procurement

- *Number of pre-determined set-asides has increased by 56% since 2009-10.*
 - Client departments better understand the PSAB, have some knowledge of Aboriginal business capacity, and are comfortable setting contracts aside for Aboriginal businesses, without requiring consultations with the BDD.

- *INAC intervened in 14.7% of all PRCs reviewed since 2009-10.*
 - The fact that interventions have increased demonstrates that the BDD has enhanced its own understanding of Aboriginal business capacity and may also indicate the diversification and enhanced capacity of Aboriginal businesses themselves.

- *Number of set-asides post-intervention has increased significantly from 2009-10 (600%).*
 - Client departments have increasingly accepted the BDD's recommendations for set-asides, indicating that the BDD has completed thorough assessments of Aboriginal business capacity related to project requirements and provided accurate and compelling evidence to encourage the use of set-asides.



TOOLS & APPROACHES

Collaboration with Federal Partners

- **MOU with PSPC (2011)** – to provide INAC with comprehensive data on departments' procurement activity with Aboriginal suppliers and gain access to contracting data to verify if businesses are eligible under the PSAB; collaborating on marketing/outreach; explore new approaches to maximizing Aboriginal participation in federal and other potential opportunities.
- **MOU with Office of Small and Medium Enterprise, PSPC (2011, renewed 2016)** – *The MOU outlines the way BDD and OSME are to collaborate to provide Aboriginal and non-Aboriginal businesses with a better understanding of the policies, procedures, and benefits of conducting business with the federal government and engaging with the Aboriginal business community.*
- **MOU with Innovation, Science and Economic Development (2011)** – PSAB registration that allows Aboriginal businesses to self-register in the ABD and showcase their business information and capacity

Federal Portfolio Management

- Assist in matching departmental procurement needs with Aboriginal business capacity through setting procurement objectives, assessing departments' past contracts (goods and services), and forecasting department's procurement needs
- Relationship building while ensuring tailored data results based on departments' specific procurement needs



TOOLS & APPROACHES

Accountability and Integrity

- Pre- award, post- award and random audits are conducted to ensure Aboriginal businesses registered in the Aboriginal Business Database (ABD) meet the PSAB criteria
- *PSAB Audit Toolkit*: Outlines the roles and responsibilities of key government authorities and Aboriginal businesses who are involved in the audit of an Aboriginal business registered under the PSAB



TOOLS & APPROACHES

Accountability and Integrity (Cont'd)

Audits Performed	2013-2014	2014-2015	2015-2016
Total number of Post-award audit	4	2	5
Total number of Pre-award audit	11	6	16
Total number of Random audit	17	11	73
On-going		15	
Total	32	34	94

- Out of the 94 audits performed in 2015/16, 37 (39.3%) were deemed 'not compliant' (See 'Annex 9' for PSAB Compliance Audit).
 - The majority of the non-compliant results were during Random Audits.
 - Pre- and post-award audits only resulted in 5 non-compliant results

- Non-compliance for random audits is typically high due to Aboriginal businesses not responding to the auditors' request for information or the Aboriginal's business's lack of capacity to provide the auditors with the required information.



MAJOR OPPORTUNITIES

Successes and lessons learned in federal procurements are highly transferable to other levels of government (regional, provincial or municipal), allowing INAC to leverage its procurement tools, techniques and principles.

Focusing on opportunities in various economic sectors: natural resource sector (i.e., mining, electricity, energy); tourism; infrastructure, major crown projects, and Aboriginal women entrepreneurship.

National Shipbuilding Procurement Strategy

- In Fall 2011, two pilot studies (East – KMKNO, West – ICAB) were undertaken to begin identifying gaps/opportunities for Aboriginal communities and individuals
- Aboriginal partners undertook research/analysis to identify employment, business development and procurement gaps and opportunities for the Aboriginal community
- Close collaboration with provinces, OGDs (RDAs, PSPC, ESDC) INAC regional offices and key program areas including Active Measures
- Multi tiered framework to support Aboriginal participation has been developed
- Serve as a basis of engaging Irving and Seaspan
- Seaspan has created 38 contracts with Aboriginal businesses totalling \$22.2 M - 84% or \$18.7M of those contracts went to four businesses which formed partnerships with Tseil Waututh First Nation
- On both East and West coast approximately 1500 Aboriginal persons received training and 600 have been employed.

More than \$17M in federal funding has been committed to preparing Aboriginal people and businesses for upcoming opportunities



National Shipbuilding Procurement Strategy – Participation Framework

Jobs and Labour Market Readiness	Employer and Community Readiness	Business Development
<p>Key Priorities:</p> <ul style="list-style-type: none"> • Literacy and essential skills • Completion of Grade 12 to support employment in skilled trades • Skills development and job readiness • Eliminating barriers to employment 	<p>Key Priorities:</p> <ul style="list-style-type: none"> • Relationship building between prime contractors and Aboriginal communities • Relationship building between secondary suppliers and Aboriginal communities 	<p>Key Priorities:</p> <ul style="list-style-type: none"> • Business capacity analysis • Engagement with prime contractor and secondary suppliers • Supplier readiness • Determining role of AFIs
<p>Partners: INAC, ESDC, Provinces, KMKNO (East)/CASA (West)</p>	<p>Partners: INAC, Provinces, KMKNO (East)/ICAB (West)</p>	<p>Partners: INAC, ACOA (East)/WED (West), Provinces, KMKNO (East)/Tale’awttx Aboriginal Capital Corporation (TACC) (West)</p>



MAJOR OPPORTUNITIES

Defence Procurement Strategy

- Working closely with DND and PSPC to encourage and strengthen Aboriginal participation in defence procurement
- Facilitate a new procurement regime to ensure coordinated decision-making for defence and major Canadian Coast Guard procurements
- Aboriginal consideration are part of the Industrial and Technological Benefits proposition guide

Esquimalt Graving Docks

- BDD successfully worked with the Project Team in the early stages of the Phase II of the Esquimalt Graving Dock project under the PSAB set-aside program.
- One of the Aboriginal bidders won the \$26.9 million dollar project and was awarded the contract in August 2015
- Currently the BDD team is working with the project teams on other upcoming projects that will be tendered in BC's Esquimalt area.

First Nations Drinking Water Improvement Project

- Supporting First Nation Communities in Ontario to include PSAB policy in their RFPs
- For example, some of the clauses included in the RFP to ensure and encourage Aboriginal Business included:

“...proponent is invited to consult with local service providers with respect to employment opportunities for FN community members.”

“...consult with FN to support an application for wage subsidies under AANDCs ‘Social Assistance Transfer Funding’ program...”



MAJOR OPPORTUNITIES

DND – Goose Bay

- Department of National Defence (DND) and CFB 5 Wing Goose Bay Site Support Services Request for Proposal (RFP) included an Aboriginal Participation Component for 15% of the total value of the contract.
- CFB 5 Wing Goose Bay is not subject to a Comprehensive Land Claim Agreement; however, it was determined that this solicitation warranted Aboriginal Engagement.
- The Component was developed by DND, Public Works and Government Services Canada (PWGSC), and Indigenous and Northern Affairs Canada (INAC).
- Bidders were required to submit a plan detailing their proposed Aboriginal participation content such as, human resources/skills development and subcontracting, among other elements.
- Bidders were also required to include at least 15% of total contract labour-hours for Aboriginal labour-hours
- The contract was successfully awarded in September 2016 for an approximate value of \$114 million dollars.



MAJOR OPPORTUNITIES

Saskatoon Tribal Council

- In 2011 and 2012, focused on increasing Aboriginal participation within Canada's potash industry, the federal government supported the Saskatoon Tribal Council in its development of a feasibility study, which examined the creation of a central Saskatchewan First Nation procurement business model, and a business plan for the creation of the Central Saskatchewan Aboriginal Business Association.
- The initiative has created significant business opportunities with major players such as SaskTel and PotashCorp, allowing for procurements opportunities amounting to \$8M in 2015.
- INAC has developed a video, highlighting the Saskatoon Tribal Council's success
 - [Saskatoon Tribal Council Video](#)

Aboriginal Tourism

- The Federal Tourism Strategy launched in 2011 is a whole-of-government approach to enhance the federal government's role as an effective partner with industry and other levels of government
- INAC provided the Aboriginal Tourism Association of Canada (ATAC) with funding support for the development of a National Aboriginal Tourism Research project (2014) and for the development of a National Aboriginal Tourism Strategy (2015).
- Aboriginal tourism was identified as one of the strategic priorities in the recent Canadian Council of Tourism Ministers (CCTM) in Nunavut (November, 2016)
- International Aboriginal Tourism Conference held in Sydney, Nova Scotia (December, 2016)
 - INAC announced \$3.5 Million in funding to support the National Aboriginal Tourism Strategy



SUPPORTING THE LEGAL AGENDA

Supporting Modern Relationships

- Work closely with TAG in fulfilling Canada's obligations with respect to CLCAs/Treaties /Final Settlement Agreements
- Procurement an increasingly important, often last remaining issue

International Trade Agreements

- Work closely with Global Affairs Canada (GAC) to verify/recommend wording in agreements (Trans Pacific Partnership, Canada-European Union Comprehensive Economic Trade Agreement)
- Ensure that majority supplier exemptions/strategies are maintained



SUPPORTING THE POLICY AGENDA

Procurement Modernization

Drivers

- Government Priorities/Mandate Letters
- Economic Reconciliation
- Government Wide Procurement Modernization
- Policy Coverage (2009 FFAED)
- Strategic Access to Large Public and Private Expenditures/Projects
- Growing Aboriginal Population
- Growing Aboriginal Business Sector
- Stakeholder Expectations

Leveraging and enhancing procurement policies, guidelines and mechanisms to maximize the participation and benefit of Indigenous people, businesses and communities from federal programs, expenditures and investments



SUPPORTING THE POLICY AGENDA

Procurement Modernization

Opportunities

- Collaborate on internal enhancements as identified
- Convene federal DG working group to review and identify policy/program tools, challenges and enhancements ensure effectiveness and impact of Indigenous procurement
- Develop Public Stakeholder Engagement Strategy a web based strategy to collect input/recommendations
- Procurement Modernization Roundtable engaging key public and private stakeholders
- Develop Discussion Paper that will highlight options/recommendations to modernize Indigenous procurement
- Develop MC



SUPPORTING THE POLICY AGENDA

First Nations Tendering Policy (FNTTP)

- Applying the PSAB model to infrastructure and contaminated sites projects and the revision of the First Nations Tendering Policy for First Nations managed projects, e.g., water (ON) and school construction projects (BC & NB)
- Opportunity exists to integrate the principles of PSAB into contract/project authority for projects managed by First Nations. Potential to unlock portion of annual capital spending prevent “leakage”

Aboriginal Participation Components (APC)

- As per 2009 FFAED commitment, undertake research to develop options for Aboriginal Benefit Requirement approach to include Aboriginal Participation Components (similar to the Industrial Regional Benefits) within major federal initiatives, to generate subcontracting and employment opportunities
- Flexible approaches/models to respond to both legal obligations and economic opportunities
- Applicable on private projects, even when International Trade Agreements (ITAs) apply
- As part of the *Senior Project Advisory Committee*, INAC collaborates with contracting authorities to determine Aboriginal participation and ensure that obligations under the Land Claim Agreements are met



SUPPORTING THE POLICY AGENDA

Promoting International Opportunities for Aboriginal Business

- Collaboration with GAC (Leveraging Trade Commissioner Service)
- Outbound (export readiness/market identification) Export Development Canada and Regional Development Agencies, with a view to identifying both inbound (investments, visiting delegations) approaches need to be developed in collaboration with other departments
- Collaboration with Global Network of Indigenous Entrepreneurs to form business partnerships that are focused on enhancing the economic prosperity of Indigenous people (World Indigenous Business Forums – New Zealand, Chile)

Policy/Program Analysis

- Strategic analysis of policy proposals and program expenditures across government to more proactively identify business and partnering opportunities



SUPPORTING THE RESEARCH AGENDA

Contaminated Sites

- Identifying opportunities to integrate PSAB principles in future Contaminated Sites projects, which could total \$1.5 billion over the next 5 years; working with RO on strategy for Remediation
- INAC is collaborating with several Government of Canada Departments to encourage Aboriginal business and employment in remediation and Unexploded Ordnances (UXO) clearance across many First Nation communities.

Bid Bonding

- In *Phase 2* of a research project with a major provider of bid bonding/surety services on a multi phase project which would identify service gaps and potential bid bond/surety suppliers and recommend potential solutions



SUPPORTING THE RESEARCH AGENDA

Aboriginal Business Strategies

CCAB/BC-AFN

- Partnered with CCAB/BC-AFN to develop a National Economic Development Strategy (NEDS) focusing on community prosperity, industry prosperity and paths of growth.
- The NEDS will identified First Nations business aspirations, current and potential capacity, opportunities and critical challenges to community economic development

ESC/AHRC

- In partnership with key associations (Electricity Sector Council, Aboriginal Human Resource Council) develop strategies for associations/companies to include Aboriginal procurement/employment/partnerships as part of business plan/model

Updating Aboriginal Entrepreneurs Survey – Promise and Prosperity

- Work with Canadian Council for Aboriginal Business (CCAB) (2015 report has been published)

Supporting Aboriginal Women Entrepreneurs

- As part of ARO funding, work with NWAC, Paktutit on research to strengthen the participation of Aboriginal Women entrepreneurs

PSAB Enhancements

- Research on impact of potentially modifying labour requirements, adopt a sliding scale approach and the definition of Aboriginal content
- Conducting a PSAB impact study with StatsCan to examine the economic impact of PSAB set-asides



REMARKS & OBSERVATIONS

“The objective of the PSAB are well-aligned with government priorities and departmental strategic outcomes. The approaches to meeting these objectives need to continually adjust to evolving needs and business environments to ensure optimal contribution to these objectives.” (Evaluation of the Procurement Strategy for Aboriginal Business, Draft Final Report, 2014; pg. 17)

The PSAB “...has had significant impact. With its strong mandatory set-aside provisions for goods, services and construction destined primarily for Aboriginal populations, and its establishment of Aboriginal business contracting targets for departments, the strategy has made good use of its ‘teeth’.” (Assembly of First Nations)



AREAS FOR COLLABORATION

NACCA & Aboriginal Financial Institutions (AFIs)

- NACCA and AFIs are an excellent network and institutional platform to support procurement activities and support Indigenous entrepreneurs and businesses.

- Procurement is an opportunity to get AFI clients involved in:
 - Supply chains - enhance loan repayability;
 - Contribute to growth and expansion, (and related lending);
 - Leveraging contracts to access capital;
 - PSAB outreach and training;
 - Capacity/supplier Development;
 - Data and Aboriginal business registration (Aboriginal Business Directory); and
 - Contribute to the Procurement Modernization agenda (procurement policies)



CONCLUSION

- Procurement has proven to be a very powerful part of the Aboriginal economic development toolkit
- More research is needed to measure the true impacts of Aboriginal procurement
- Systematic, evidence and partnership based approaches to ensure real and meaningful participation
- BDD will continue to work collaboratively with Aboriginal businesses and communities, regions and all areas of INAC to ensure procurement is realizes its full impact and potential
- Collaboration to unlock funding and create better links with:
 - Procurement Centers
 - Infrastructure



Annex 1: ABD Registration by Region

REGION	TOTAL # OF BUSINESSES REGISTERED
Alberta	167
British Columbia	338
Manitoba	186
New Brunswick	24
Newfoundland and Labrador	56
Northwest Territories	88
Nova Scotia	37
Nunavut	72
Ontario	473
Prince Edward Island	3
Quebec	217
Saskatchewan	84
Yukon	22
TOTAL	1767



Annex 2: Outreach and Training

REGION	TOTAL 2012 - 2013
Northwest Territories	2
Nunavut	1
Yukon	0
British Columbia	5
Alberta	0
Saskatchewan	0
Manitoba	1
Ontario	67
Quebec	4
New Brunswick	2
Newfoundland and Labrador	3
Nova Scotia	1
Prince Edward Island	0
TOTAL	86

Participated in 46 outreach events and conducted 86 PSAB awareness sessions on a national basis



Annex 3:

Examples of Aboriginal Procurement Models

First Nations Drinking Water Improvement Project

- In early 2012, CIB officials were made aware of the PSAB policies at an outreach conference and discussions ensued with APBP
- APBP provided the First Nations Drinking Water Improvement Project team with an overview of the Federal Government's PSAB policy and its comparison to the First Nation Tendering policy that addresses Aboriginal Local Development and Aboriginal participation
- CIB embraced the opportunity and provided the RFP for APBP input and suggestions
- The RFP's were publicly tendered and included clauses to encourage an Aboriginal Business Component, such as;
 - ...proponent is invited to consult with local service providers with respect to employment opportunities for FN community members
 - ...consult with FN to support an application for wage subsidies under AANDC's "Social Assistance Transfer Funding" program...
 - ..community owns a bulldozer, a tandem axle dumptruck....



Annex 4:

Examples of Aboriginal Procurement Models

Sydney Tar Ponds

- \$400 million dollar remediation project in the Sydney Tar Ponds and Coke Ovens Clean Up located in the Province of Nova Scotia
- 2004 an MOU signed between the Government of Canada and the Province of Nova Scotia
- Federal Government contributed \$280 million and Province of NS contributed \$120 million and the Province of Nova Scotia is responsible for the management of this project
- In 2005, a protocol agreement was signed by the Federal Government, the Province of Nova Scotia and First Nations with the agreement objectives of:
 - Regular discussion between signatories for the development of an Aboriginal Set-aside Procurement Strategy that would allow for meaningful opportunities for First Nation participation in the clean up projects
- In 2008, a Procurement Set-aside Strategy was signed for this project which allowed for nine projects worth \$19 million. This followed the Federal Government's model of the PSAB
- This allowed for 36 full-time construction jobs for Aboriginal workers and creating involvement in \$71 million in local Aboriginal companies participating in these projects.



Annex 5:

Terms and Conditions for Grants & Contributions

Under Business Opportunities, the AEP supports project and proposal-based contributions to Aboriginal entrepreneurs and organizations towards the reimbursement of eligible costs for the following purposes:

- Gap, Opportunity and Capacity Analysis
- Business and Economic Opportunity Development
- Employment and Capacity Development
- Financial, Business and Support Services
- Partnership and Network Development
- Participation Frameworks and Strategy Development
- Industry and Supply Chain Analysis
- Industry Sector Research and Analysis

Outcomes

- Project and proposal-based contributions are expected to provide opportunities to support Aboriginal business capacity is matched with business / procurement opportunities, and increase the number of: business partnerships that adopt Aboriginal procurement strategies; participation agreements & supports to access business opportunities; Aboriginal businesses; and federal government procurement contracts that are set-aside for Aboriginal businesses.



Annex 6: Set-asides 2013 by Department

Department/Agency	Set Aside Values
Correctional Service	\$34,647,476
Health Canada	\$14,038,979
Shared Services Canada	\$7,582,953
Aboriginal Affairs and Northern Development Canada	\$7,347,277
Public Works and Government Services	\$5,787,349
Fisheries and Oceans	\$3,762,907
National Defence	\$2,577,207
Transport Canada	\$1,257,445
Royal Canadian Mounted Police	\$870,968
Office of Director of Public Prosecution	\$575,717
Parks Canada Agency	\$562,234
Canada Revenue Agency	\$465,103
Treasury Board Secretariat	\$428,084
Industry Canada	\$425,306
Natural Resources Canada	\$269,374
Canadian Food Inspection Agency	\$256,255
Canadian Nuclear Safety Commission	\$207,394
Statistics Canada	\$199,570



Annex 7:

Set-asides 2013 by Department (Cont'd)

Department/Agency	Set Aside Values
Public Health Agency of Canada	\$186,970
Office of the Superintendent of Financial Institute	\$167,021
Foreign Affairs	\$160,727
Canada Border Services Agency	\$137,303
Immigration and Refugee Board of Canada	\$122,246
Privy Council Office	\$116,139
Agriculture and Agri-Food	\$109,883
Citizenship and Immigration Canada	\$80,181
Environment Canada	\$70,315
Commissioner of Official Languages	\$70,153
Veterans Affairs Canada	\$58,061
Library and Archives Canada	\$55,591
Public Safety Canada	\$52,097
Canadian Intergovernmental Conference Secretariat	\$33,787
Finance Canada	\$29,167
Veterans Review and Appeal Board	\$26,798
Governor General of Canada	\$22,276
National Parole Board	\$19,442



Annex 8: Set-asides 2013 by Department (Cont'd)

Department/Agency	Set Aside Values
Canadian International Trade Tribunal	\$14,995
Economic Development Agency of Canada	\$14,875
Canadian Heritage	\$12,776
Canadian Human Rights Commission	\$8,044
Canada Industrial Relations Board	\$7,334
Chief Electoral Officer	\$7,231
Financial Consumer Agency of Canada	\$5,756
National Energy Board	\$5,556
Commissioner for Federal Judicial Affairs	\$2,018
Canadian Forces Grievance Board	\$1,742
Transportation Safety Board of Canada	\$1,741
Supreme Court of Canada	\$864
Office of the Public Sector Integrity Commissioner	\$852
Grand Total	\$82,863,539