



FIRST NATIONS PROCUREMENT ORGANIZATION

MISSION & PURPOSE OF THE ORGANIZATION

Inspired by international best practices, the mission of the First Nations Procurement Organization is to provide a single window service to support First Nations businesses to access and win procurement opportunities through certification, education, networking, and promotion. The purpose is to facilitate and coordinate advice to the Government of Canada on the establishment of policy and legislative frameworks necessary to achieve a minimum 5% Indigenous procurement target across the whole of government.

WHAT CRITICAL SERVICES WILL BE OFFERED BY THE FIRST NATION PROCUREMENT ORGANIZATION?

First Nations business certification and directory: a national database that will allow government and corporate members to access a comprehensive list of First Nations businesses

Training tools and services: training that will develop First Nations capacity in responding to public procurement opportunities

Networking and promotion of First Nation procurement: networking events and advocacy outreach that will pursue the establishment of mutually beneficial relationships between First Nation businesses, corporate stakeholders and government in procurement

WHY DOES CANADA NEED A FIRST NATIONS PROCUREMENT ORGANIZATION?

The federal government spends \$22 billion annually on acquiring goods and services from thousands of Canadian businesses. Yet, Indigenous businesses access less than 1% of this annual federal spending.

In August 2021, the federal government announced a mandatory requirement for all federal departments to ensure a minimum of 5% of the total value of contracts are held by Indigenous businesses by 2024.

First Nations' businesses face unique challenges in accessing procurement including systemic bias, Section 89-Indian Act, complex administrative processes and capacity issues. In addition, a lack of consistent and reliable databases of Indigenous businesses limits government's ability to purchase from First Nation businesses.





FIRST NATIONS PROCUREMENT ORGANIZATION

A FIRST NATION PROCUREMENT ORGANIZATION WILL PROVIDE:

1. Free and culturally-appropriate wraparound services to support First Nations businesses in accessing procurement; and
2. Services to government and corporate members to help them better connect with First Nation businesses.

HOW WILL THE FIRST NATION PROCUREMENT ORGANIZATION BE ACCOUNTABLE?

As a non-profit corporation, the organization will be overseen by a First Nations' Board of Directors and guided by a select group of First Nation Advisors. The Institute will report on results annually to the federal government as well as to First Nation communities and organizations.

HOW CAN THE GOVERNMENT OF CANADA FUND THE FIRST NATIONS PROCUREMENT ORGANIZATION?

Over time, the First Nations Procurement Organization will become increasingly self-sustaining through its revenues. However, \$15 - \$20M in federal government funds are required for the first five years of the initiative. Year one will require \$1M to cover startup costs. Government funding will peak in year three at \$4M and decline to \$3M by year five.

