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From Engagement to Indigenous Partnerships

This research brief outlines how corporate sustainability leaders can advance reconciliation with Indigenous communities.

“From Engagement to Indigenous Partnerships” was prepared by Canadian Business for Social Responsibility (CBSR) and EXCEL Partnership. Team members that contributed include 5EXCEL are part of a constellation of sustainability organizations, which also includes GLOBE Series, The Delphi Group, and Leading Change Canada.

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SECTION 1 - CONTEXT

As an individual and a leader at your company, it is important to understand and acknowledge the role that colonization has played in Indigenous peoples’ lives in Canada. The Canadian economy is based on the resources from the land that once belonged to Indigenous peoples. Corporations have long benefited by gaining power and wealth from these resources. All the while, almost none of the economic prosperity was shared with Indigenous groups.

In 2015, the [Truth and Reconciliation Commission](#) (TRC) published a report with 94 calls to actions that were aimed at guiding reconciliation with Indigenous communities in Canada.¹ In December 2020, the Government of Canada endorsed the [United Nations Declaration on the Rights of Indigenous Peoples \[UNDRIP\]](#), a reconciliation framework committing to its full and [effective implementation](#). The [UNDRIP](#) has 46 articles. Articles 10, 11, 19, 28, 29, and 32 discuss the importance of how business must [use free, prior, and informed consent \(FPIC\)](#).² By partnering with Indigenous groups/companies, it is possible to provide economic stability for both parties in a mutualistic relationship that builds a stronger, more equitable Canada.

Understanding the history of Indigenous peoples and settler-colonialism is an important first element in the engagement process. While discussing Indigenous partnerships, it is important to remember the hardships that Indigenous peoples have gone through. In the 17th century, French settlers arrived and brought with them the smallpox disease – a disease that Indigenous peoples had no immunity to³ In 1831, the first Indian Residential School was opened with the violent purpose of educating Indigenous youth in Euro-centric ideologies (religion, language, culture) to assimilate them into Canadian society.⁴ In Canada, Indigenous groups hold 2.6 million hectares of land⁵. Globally, Indigenous territories encompass 40% of the world’s protected areas, and the land that belongs to Indigenous groups have the lowest rates of deforestation and some of the largest rates of biodiversity.⁶ Partnering with Indigenous individuals and groups provides a company with talented individuals with unique perspectives. Indigenous peoples are more vulnerable to the impacts of climate change through displacement, food insecurity, and extreme weather events, and they also hold [traditional knowledge](#) for climate mitigation and adaptation.

In 2019, an [official report](#) was published on the inquiry into Missing and Murdered Indigenous Women and Girls (MMIWG). It found that Indigenous women are murdered at a rate 10 times higher than the national average.⁷ More recently, disputes between Indigenous and non-Indigenous groups have become more commonplace. The Six Nations & Caledonia land claim dispute⁸, Wet’suwet’en and the Coastal GasLink Pipeline⁹, as well as the Mi’kmaq lobster fishery dispute¹⁰ have all brought to light the historic and existing tensions between Indigenous and non-Indigenous groups in Canada. It highlights the urgent need to apply a framework that is based on the recognition of Indigenous peoples’ rights and interests in the land and resources across this country.

Indigenous groups must be included in the [just transition](#) towards a low-carbon clean economy. It is often marginalized groups like Indigenous groups that are forgotten about or fall through the cracks.¹¹ For this reason, it is especially important that companies and governments have specific programs and policies that allow Indigenous peoples to be a partner in the transition

¹ <http://nctr.ca/reports.php>

² https://www.un.org/development/desa/Indigenouspeoples/wp-content/uploads/sites/19/2018/11/UNDRIP_E_web.pdf

³ <https://thecanadianencyclopedia.ca/en/article/smallpox#:~:text=Smallpox%20first%20reached%20the%20Pacific,population%20died%20after%20contracting%20smallpox.>

⁴ <https://www.thecanadianencyclopedia.ca/en/article/residential-schools>

⁵ <https://www.aadnc-aandc.gc.ca/eng/1100100034846/1100100034847>

⁶ <https://www.pri.org/stories/2019-08-09/without-respect-Indigenous-rights-climate-change-will-worsen-un-says>

⁷ <https://www.mmiwg-ffada.ca/>

⁸ <https://globalnews.ca/news/7421333/six-nations-caledonia-land-claim-dispute/>

⁹ <https://www.theguardian.com/world/2020/may/15/canada-wetsuweten-historic-deal-land-rights-pipeline>

¹⁰ <https://www.cbc.ca/news/canada/nova-scotia/mikmaq-commercial-fishermen-alleged-lobster-buyer-1.5732357>

¹¹ <https://www.sei.org/perspectives/a-just-transition-to-renewables-must-recognize-the-rights-of-Indigenous-peoples/>

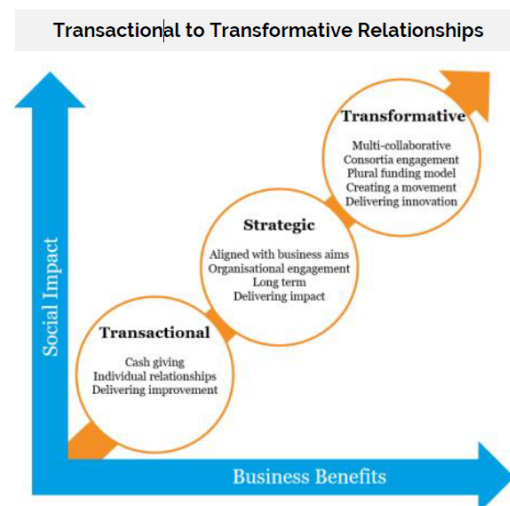
SECTION 2 – FROM ENGAGEMENT TO PARTNERSHIPS

There is a growing recognition that the current economic system is not only unable to respond to the world’s most urgent challenges but that it has excluded many people from the prosperity that capitalism promises. The pandemic has highlighted the existing structural inequities that already existed in our society and heightened the focus on the responsibility of businesses – especially in tackling issues such as workers’ rights, diversity and inclusion, supply chain resilience, and impact on communities. More about Stakeholder Capitalism is discussed on our report on [“Unpacking Stakeholder Capitalism”](#)¹²

[Indigenous Works](#)¹³ defines Inclusion as an organizational state that is embraced as a cultural norm, with enterprise-wide workplace strategies and a culture that invites full participation of Indigenous Peoples into all aspects of business operations. Inclusivity can be found where leadership and employees are welcoming of Indigenous Peoples, their experience, and perspectives. Where diversity is valued, the spirit of Reconciliation has been embraced and calls to action have been acted on in meaningful ways. Indigenous businesses are those enterprises that are majority-owned and controlled by Indigenous individuals or communities.

There is a concerted shift from the paradigm of *engagement* with Indigenous communities towards developing mutually beneficial long-term *partnerships*. Meaningful engagement necessitates strong commitment to partnerships and shared prosperity.

Mutually beneficial partnerships with Indigenous communities is an issue of ESG risk management. Investors are increasingly focusing on integrating ESG risk considerations into their decision-making processes in order to safeguard long-term value. The pandemic has heightened investor focus on [social risks](#). Companies that fail to develop positive Indigenous relations and partnerships face reputational risk, regulatory risk, litigation, project delays and disruptions, shutdowns, and operational and financial loss. Business reconciliation is an opportunity for companies to foster partnerships and investment opportunities.



As Indigenous communities look for genuine inclusion and self-determination, institutional challenges continue to persist. Co-creating spaces for Indigenous representation within decision-making processes is an opportunity to mitigate social risk and create value. Commitment to enhancing inclusion and shared ownership over ESG goals and objectives in partnership with Indigenous communities is more critical than ever. Partnership requires understanding and acknowledgment of existing power imbalances and a desire to share responsibility, accountability, and co-create a common vision towards shared strategic

INDIGENOUS WORKS outlines seven stages of partnerships –

- 1. 'Partnerless'**
- 2. Strategy Assessment & Visioning**
- 3. Partnership Readiness**
- 4. Partnership Search and Prospect Identification**
- 5. Due Diligence –Engagement**
- 6. Relationship Building**
- 7. Authentic Transformational Long-Term Partnership**

outcomes through multi-lateral conversations. There is also an immense economic opportunity if Canada advances on reconciliation: Indigenous businesses have grown exponentially over the last decade. The Canadian Council for Aboriginal Business estimates that the Indigenous economy is expected to increase to \$100 billion by 2024.¹⁴ In order for that economic opportunity to be realized, companies must learn how best to work with Indigenous communities in ways that may be different than in other business ventures.

Companies can start by establishing where they sit in their reconciliation journey and what approach is most suitable. The [Canadian Council for Aboriginal Business](#) identifies four areas of action that companies can take to advance the long-term goal of business reconciliation. Some of these actions are outlined below:

<i>Inclusive Leadership Actions</i>	<i>Business Development</i>	<i>Procurement</i>	<i>Community Relationships</i>
Educate: Culture awareness training for staff	Partner: With Indigenous businesses	Seek and Hire: Indigenous-led enterprises	Recruit & Invest in: Indigenous staff
Validate: Third party certifications such as Progressive Aboriginal Relations (PAR)	Seek: Business development opportunities to support Indigenous communities	Promote: Indigenous businesses to your staff, business partners, or customers	Skills Development: Offer on-the-job training and/or mentorship to Indigenous youth
Convene: Cross-departmental Indigenous relations committee	Enhance: B2B relationships with Indigenous businesses in your local area	Access: Develop transparency in procurement processes, policies, and stakeholder relationships, and make these processes accessible	Invest: In Indigenous communities to enhance capacity and well-being

Challenges of Building Successful Partnerships –

Commitment Gap - Businesses often go into partnerships with Indigenous groups simply to ‘check a box,’ or as one IEDC put it, “To rent our name.” While Indigenous partners may commit their leadership to directly manage the relationship, engagement novices may delegate responsibility to a relatively low-ranking resource, thus treating their “partner” as just another customer. Committed partners make a commitment from the top-down, where decision-makers are involved in the Indigenous partnerships from the get-go. In addition to a top-down commitment, dedicate Aboriginal liaisons or departments. These offices act as intermediaries within the business between decision-makers on both sides

Capacity Gap – Businesses overestimate Indigenous capacity (expectations too high) and underestimate the capacity they must dedicate for sustaining a relationship. Indigenous businesses and communities have difficulty finding themselves a place in the supply chain. Indigenous groups tend to be small compared to non-Indigenous enterprises, they are unable to meet all the needs of their would-be partners; businesses need to be flexible. Partners need to provide scale-appropriate opportunities to do business together and identify new opportunities to develop capacity.

Communications Gap - At the outset of relationships, there can be significant gaps in expectations and urgency. When these divergent perspectives are not articulated, partners may feel alienated from one another and allow the relationship to lapse. Partners need to establish clear and consistent means of communication. This may take the form of joint leadership committees, regular meetings, and routine reporting.

Traditional Knowledge is an asset and should be acknowledged that is brought to the table by the local Indigenous communities. This knowledge can be used to help a project succeed environmentally and ethically and it can provide value beyond a single project. Relationships can be built in non-intrusive and respectful ways by attending community gatherings like feasts, pow-wows, and other Indigenous-led community events. Also consider attending more formal events like annual meetings hosted by Indigenous partner organizations.¹⁵

The fundamental principles of successful Indigenous relations include:



¹² CBSR 2020 Roundtable Report “Unpacking Stakeholder Capitalism”.

¹³ <https://indigenouworks.ca/en/partnership/seven-stage-partnership-model/why-partnerships-matte>

¹⁴ https://www.ccab.com/wp-content/uploads/2019/09/Business-reconciliation-in-canada_WEB-final_AA.pdf

¹⁵ <https://indigenouworks.ca/sites/ahrc/files/attachments/Researching%20Indigenous%20Partnerships-Malatest%20Final%20Report-English-Oct%202017.pdf>

Deep-Dive – Lessons from the Rio Tinto Case

RioTinto

The recent Rio Tinto incident highlights the importance of upholding Indigenous peoples’ rights to free, prior, and informed consent, and the shifting societal expectations. In May 2020, RioTinto blasted and destroyed a 46,000-year-old Indigenous site in Western Australia. The mining company was given legal permission to blast the Juukan Gorge based on laws that were drafted in 1972. *“One year after consent was granted, an archeological dig intended to salvage whatever could be saved discovered the site was more than twice as old as previously thought and rich in artifacts, including sacred objects. Despite regular meetings with Rio Tinto, the Puutu Kunti Kurrama and Pinikura (PKKP) Aboriginal Corporation was unable to stop the blast from going ahead.”*¹⁶ Since the blasting, the CEO has resigned due to the fallout that the event has caused.¹⁷ [Shareholders demanded change](#) and expressed concern about the company’s failure to reassess mine plans. The not-for-profit group, Reconciliation Australia, has also severed ties with the company because of the incident.¹⁸ This serves as an example of how not to approach disputes with Indigenous groups. While companies may have proper legal standing, it is important to keep in mind the ethics of the issues at hand and the associated reputational and social risks.

¹⁶ https://www.theguardian.com/australia-news/2020/may/26/rio-tinto-blasts-46000-year-old-aboriginal-site-to-expand-iron-ore-mine?utm_term=Autofeed&CMP=soc_568&utm_medium=Social&utm_source=Twitter&twitter_impression=true&fbclid=IwAR1NpfSLiEK5s1bvzgzHvKE13fXisJpg8fR2TtdGN63utsc-kaHc-3DppMg
¹⁷ <https://www.dw.com/en/rio-tinto-ceo-quits-over-aboriginal-cave-destruction/a-54889907>
¹⁸ <https://www.theguardian.com/australia-news/2020/jun/09/reconciliation-australia-ends-partnership-with-rio-tinto-over-destroyed-heritage-site>

SECTION 3 – INDIGENOUS RELATIONS & CBSR MEMBERS

Below is a high-level snapshot of existing efforts towards Indigenous engagement and partnerships across CBSR members.

Indigenous Engagement Policy	Selected Efforts	Selected External Metrics
Air Canada	<ul style="list-style-type: none"> Indigenous recruitment program Sponsorship of Indigenous-led events (e.g., Indigenous Clean Energy Gathering) 	<ul style="list-style-type: none"> Tracks number of Indigenous employees
ATCO		

	<ul style="list-style-type: none"> • PAR Gold Certified • 50 agreements with Indigenous Communities • 500 employees completed Indigenous awareness training in 2019 	<ul style="list-style-type: none"> • Amount (\$) invested in communities • Number of partnerships, JVs, and relationship agreements with Indigenous communities • Amount (\$) of economic benefits generated for Indigenous partners • Number of employees completed awareness training
BASF Canada	<ul style="list-style-type: none"> • Training and business opportunities with Indigenous groups • Responsible Care Indigenous Code • Partnership with INDSPIRE to invest in the education of Indigenous youth • Aiming for Bronze level certification of PAR certification in 2020 	
BELL	<ul style="list-style-type: none"> • Bell Let's Talk fund to support mental health and well-being of Canada's Black, Indigenous and People of Colour (BIPOC) communities 	<ul style="list-style-type: none"> • Tracks number of Indigenous employees
Capital Power	<ul style="list-style-type: none"> • Engage with local Indigenous communities and suppliers 	

	<ul style="list-style-type: none"> Scholarships for Indigenous youth 	
Cenovus Energy	<ul style="list-style-type: none"> Achieve \$1.5 billion of additional spending with Indigenous business by 2030 100% of staff complete Indigenous awareness training by end of 2020 Indigenous Housing Program 	<ul style="list-style-type: none"> Amount spent on Indigenous business Amount invested in communities Number and total amount (\$) of scholarships provided
CN	<ul style="list-style-type: none"> First transportation company in Canada to receive the PAR Bronze level certification Employee engagement program National Indigenous hiring week Employment and business opportunities 2,600 employees received awareness training 	<ul style="list-style-type: none"> Employment diversity % Number of employees received awareness training
Enbridge	<ul style="list-style-type: none"> Skills and development training Community partnerships Key goals: <ul style="list-style-type: none"> a. Strengthen involvement of Indigenous businesses in supply chain Explore equity participation 	<ul style="list-style-type: none"> Amount (\$) spent on sourcing from Indigenous partners Number of employees received awareness training

	<p>opportunities for Indigenous Peoples</p> <p>b. Implement a lifecycle engagement approach in 2020-2021, including an Indigenous employment strategy</p> <p>c. Enhance Indigenous engagement performance data tracking and reporting</p>	
Evolugen	<ul style="list-style-type: none"> • Kokish River Hydro Project ('Namgis First Nation) • Michipicoten First Nation Land Transfer 	
FortisBC	<ul style="list-style-type: none"> • PAR committed • Preferred Indigenous Employment Program • Scholarships and Educational Grants • Energy-efficiency programs for Indigenous communities 	<ul style="list-style-type: none"> • Number of communities serviced • Number of Indigenous communities crossed with NG and power lines • Number of education sessions for Indigenous members
Kinross	<ul style="list-style-type: none"> • Indigenous employee engagement (in Russia) • Signed agreements with 5 Indigenous communities 	

Lafarge Canada	<ul style="list-style-type: none"> • Preferential employment Agreement for members of Missanabie Cree First Nation Service 	
Maple Leaf Foods	<ul style="list-style-type: none"> • Northern Manitoba Food, Culture, and Community Collaborative 	
OPG	<ul style="list-style-type: none"> • PAR Silver Certified • Indigenous Opportunities in Nuclear program • Reading is Cool (Indigenous Youth Reading Program) • Little Native Hockey League Annual Tournament 	
RBC	<ul style="list-style-type: none"> • RBC Indigenous Peoples Development program • Financial Literacy Education Programs for Indigenous members • Indigenous Post-Secondary Education Scholarship Program 	<ul style="list-style-type: none"> • Number of Indigenous employees • Employee engagement rate from Indigenous employees • Program-specific metrics
TransAlta	<ul style="list-style-type: none"> • PAR Silver Certified • Indigenous Bursary Program • Indigenous Employment Program 	<ul style="list-style-type: none"> • Number of scholarships provided for Indigenous members • Number of employment opportunities presented to Indigenous members

Deep-Dive : CCSR Members & Indigenous Engagement



Through action, Cenovus has become a leader in Indigenous engagement in Canada. They have done this by developing meaningful relationships with Indigenous stakeholders. Some of the highlights include:

- Acknowledges the [United Nation Declaration on the Rights of Indigenous Peoples](#)
- Has quantifiable targets with specific timeframes: o Spend \$1.5 billion on Indigenous businesses by 2030.
- Have 100% of staff complete Indigenous awareness training by the end of 2020.
- Provides scholarships to Indigenous youth for post-secondary education.
- Signed long-term benefit agreements with nine Indigenous communities close to active operations.
- In 2020, Cenovus announced the [Indigenous Housing initiative](#) to address the issue of lack of adequate housing in Indigenous communities. Cenovus has committed \$10 million per year for five years to build much-needed new homes in six First Nations and Métis communities closest to its oil sands operations in northern Alberta, with the potential to extend the project to 10 years.



RBC recognizes its commitment to Truth and Reconciliation Commission's Call to Action #92 and has outlined plans "to work with Indigenous Peoples to create long-term, sustainable economic development, employment, social impact, and procurement opportunities."

Below is an overview of its key initiatives:

- Commitment focuses on three aspects: financial services, employment and education, and outreach and business development.
 - a) *Financial services for Indigenous People*: solutions designed for Indigenous community members, businesses, not-for-profits, and governments.
 - b) *Indigenous Peoples Development program*: for recent graduates to develop the skills and networks needed to build up their professional experience.
 - c) *Social and Impact Procurement*: donations provided by RBC Foundation to organizations that deliver programs that benefit Indigenous communities in the areas of youth, arts and culture, environment, and mental health. For example, through the RBC Indigenous Student Awards Program, funds are awarded to First Nations, Inuit and Métis youth. RBC has 18 Indigenous suppliers.
 - d) *Infrastructure financing*: for economic development projects in Indigenous communities.

- Annually publishes “[A Chosen Journey](#),” a report showcasing stories of impact within Indigenous communities and associated performance metrics. The report is translated into Inuktitut and Cree in order to ensure accessibility.



Enbridge has demonstrated commitment to the sustainability of Indigenous communities. Here are some of their programs and actions:

- Has an [Indigenous Peoples Policy](#).
- Recognizes the importance of the [United Nation Declaration on the Rights of Indigenous Peoples](#).
- Provides support for employment and training programs for Indigenous peoples.
- Uses investment, partnerships, and human capital to support Indigenous communities near its projects and operational rights-of-way. In 2019, they engaged with over 300 Indigenous communities and Native American Tribes in their projects and operations.
- Implements Socio-Economic Requirements of Contractors (SERC) to drive increased Indigenous economic inclusion.
- Trains employees: 2,000 employees have completed Indigenous awareness training since 2016

SECTION 4: TOP PRIORITIES FOR SETTING UP YOUR COMPANY WITH A PROGRESSIVE INDIGENOUS RELATIONS STRATEGY

Below are key actions that companies can take to develop a robust Indigenous relations strategy. It is important to integrate a mindset of reconciliation across the business in order to effectively execute on the strategy.

- Understand and acknowledge past historical and current Indigenous relationships
- Recognize the uniqueness of different communities and peoples and that a single approach will not work for all processes.
- Ask a partnership community if there is an established engagement process and guidelines. Engage (not consult) early, often, and in an on-going fashion that is respectful, humble, and authentic to build the foundations of a relationship and trust
- Equip Board members, plus the C-Suite, with knowledge of today’s realities for Indigenous relations in Canada.
- Be prepared to take time and build for the long term.

- Participate and learn about cultural and ceremonial elements important to Indigenous communities.
- Align the community’s goals with project outcomes, impacts, and benefits to the community; where possible, demonstrate enduring economic benefits and capacity building opportunities.
- Highlight where safety, risk reduction, remediation, and reclamation plans fit into the project.
- Ensure your sub-contractors are acting in a consistent manner with the company’s values on Indigenous engagement.
- Be open to new deals and partnerships.
- Respect distinct interests, acknowledge power dynamics, and prioritize equity while exploring common interests and opportunities to work together for mutual gain.
- Prioritize open, accessible, and transparent communication.
- Be respectful of community timelines and capacity for engagement, consultation, and decision-making.

ADDITIONAL RESOURCES

[ESG Investing and Indigenous Rights](#)

[Assessing Accountability for Indigenous Rights in Complex Investment Chains](#)

[Indigenous Rights and Corporate Risks](#)

[Canadian Council for Aboriginal Business – Business Reconciliation in Canada](#)

[A Just Transition Requires a Planned Economy but Whose Plan?](#)

[Best Practices for Indigenous Engagement – UNESCO](#)

[The Rise of the First Nations Land Management Regime in Canada: A Critical Analysis](#)

[Business and Reconciliation](#)

[CBSR – “Unpacking Stakeholder Capitalism”](#)

[Indigenous Peoples Atlas of Canada](#)

[Stories from the land - Podcast](#)

[Whose Land – App](#)

[Indigenous Climate Action](#)