

SIMSA Major Project Procurement White Paper

March 26, 2026

Our members build big, we build big supply chains

Summary:

As Canada strives to obtain sovereignty in and expand its defence and critical minerals supply chains, as well as embark on a significant nuclear power and major projects build, the question of "How do we do all of this?" comes to the forefront. We have the capabilities and capacity to build these items, what we need is the process to orchestrate the players.

[The Saskatchewan Industrial and Mining Suppliers Association](#) (SIMSA) is a model on how this can be done.

As an example (and described throughout herein), we assisted the world's largest mining company – BHP – create a supply chain for and then build the largest project they have ever built – the \$18B Jansen Potash Mine. To do this, we:

1. Have an open dialogue with BHP and act as a conduit for communications between suppliers and BHP
2. Host annual face-to-face *Procurement Events* with BHP (detailed later)
3. Created a *Supplier Database* for BHP (and others) – a tool to shortlist suppliers – which has seen BHP conduct over 100,000 searches to date. It is called [The Saskatchewan Supplier Database](#). The tool is for short listing, but due diligence nor purchasing (detailed later).
4. Constantly promote the *Procurement Policies and Debriefing Process* noted later.
5. Additionally, SIMSA completes the above, with further dialogues and partnerships, with groups such as the [Saskatchewan First Nations Natural Resource Centre of Excellence](#). Indigenous inclusion is a constant and intentional aspect of all we do.

We have proven that to successfully utilise local supply chains, major project procurement must engage - face-to-face - with local suppliers at the project conceptualisation stage. In that manner, local suppliers can be designed into the project, and not be designed out of it via early design choices that limit supplier options. Then, as the project is developed, local suppliers must have frequent access to design, management, and procurement persons. This two step process, allows local suppliers the choice of participating or not, based upon current and accurate

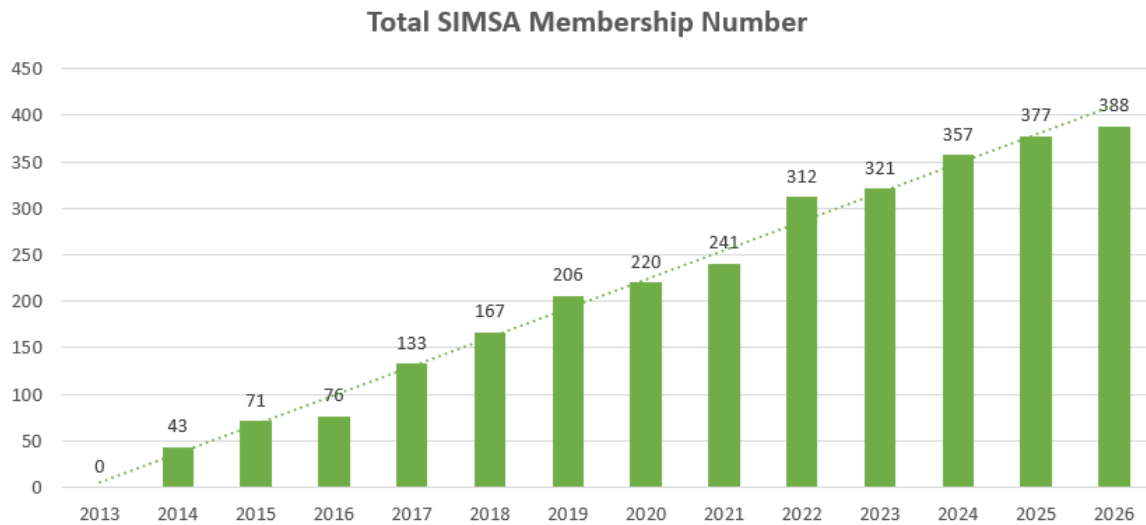
information, and to participate. Finally, the thorough debriefing of unsuccessful bidders is a critical step, as it is a critical educational tool.

All of the above items have seen great success.

Note, local purchasing in the resource sector, is the same as “sovereignty” on national items. Further, local can be in reference to within a province or a country.

SIMSA has grown steadily since our inception as a not-for-profit in 2013, to now represent over 380 Saskatchewan suppliers to Saskatchewan’s mining, energy, and industrial sector; this group of companies represents over 36,000 employees and over \$18-billion in revenues.

This constant growth is due to the above engagement model. Our events bring the supply chain face-to-face with the procurement staff of the major mining, energy, and industrial companies operating in Saskatchewan; in short, we foster a dialogue to help both. As such, our members see great value and the resource companies want to work with us, and SIMSA’s membership grows.



We have done this by a simple focus of “helping our members sell stuff.” This can mean bringing buyers and sellers face-to-face, or helping our members create better businesses or negotiate better, or helping projects become approved so that our members have something to sell to, etc.

The strategy behind this is critical. We need the mines, energy projects, or roads be approved, financed, and built. Otherwise, we have nothing to sell to. We also need them to be profitable, as we live off their margins. We also need a stronger relationship with the mining companies than we do our own members, as we need to work together and have a transparent dialogue.

We work to enable local purchasing, not demanding it – which in the end – creates more local purchasing.

Future major procurement should use the same approach.

Background on SIMSA

SIMSA's mandate is to represent the interests and concerns of Saskatchewan industrial equipment and service suppliers, through promotion of its members and the creation of partnerships with industry and other associations.

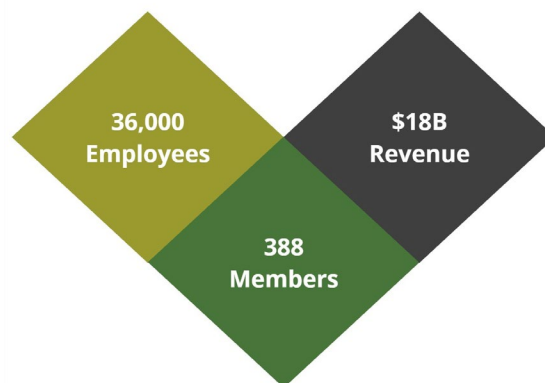
We represent the mining, oil & gas, and industrial supply chains in Saskatchewan. We are now developing a nuclear power supply chain in Saskatchewan and have begun work into the defence sector as well.

SIMSA will endeavor to:

- Promote the capabilities and capacity of the Saskatchewan industrial manufacturers and service suppliers;
- Co-ordinate on behalf of the membership, labour attraction and recruitment missions;
- Provide one voice in regard to new policies and/or regulations that may affect members
- Pursue and advance the interests of the association members

Core to being a SIMSA member, is a company must have at least 3-employees in the province, and have a permanent bricks and mortar location in the province – and we are very strict on this. In short, we represent Saskatchewan suppliers.

SIMSA currently has 388 member companies, with over 36,000 employees in Saskatchewan – making us the 3rd largest city in the province. We also have member sales from their Saskatchewan operations totaling over 18-billion dollars per year.



Procurement Events

The core to supply chain development is our events. We host day-long events, which can see up to 50 of the top purchasing people and executives attend from a mine meet with 250 suppliers. We have done these with BHP and others.



2025 SIMSA BHP event

At these events, the mining persons are assigned a table for the event and our members can see a list of them upon entering the event, to choose who they want to sit with. This works for the initial conversations and lunch, but then naturally dissolves at times, because half of the time is set aside for free flow networking.

Presentations are on current statistics and possible future plans, organization charts (many with photos), and pre-submitted questions are answered. There are also break-out rooms on focused topics, as not everyone needs to know everything.

There are also intentional discussions involving Indigenous persons and businesses at every event. The events always begin with territorial recognitions and often cultural items.

BHP has scheduled the next 5-year's events.

SIMSA hosts events such as this with Nutrien (the company with whom this model began), Cameco, K+S, Federated Co-operative Ltd., K+S Potash, and others.

SIMSA covers all of the costs affiliated with these events out of ticket-sales (at a cost recovery level) as well as handles all logistics, so all the mining company has to do is bring their staff and presentations.

Supplier Database

In 2018, BHP approached SIMSA about creating a supplier shortlisting tool, which has now seen BHP conduct over 100,000 searches to date. Further, as it was built to be free for all major mining and energy projects to use – no matter who the owner is – there have been over 33,000 searches by other firms. The platform sees well over \$500-million in annual business leads flow through it. It is called [The Saskatchewan Supplier Database](#).

The concept is simple, with the tool a procurement person can:

1. Identify a supplier that provides the required good or service
2. See if the scale/scope of the current project is within the suppliers' current abilities
3. Note if the supplier has various broad qualifications to do the work
4. Discover any Indigenous or other group employment and/or ownership data

The tool is not built for conducting transactions, only to shortlist suppliers.

The initial version was build using over 1,800 product and service categories. Currently an AI search feature is being completed, which will allow other sectors such as nuclear and defence to effectively use the system.

While the database was initially requested, inspired, and partially-paid-for by BHP, several others contributed to its development including the Government of Canada, the Government of Saskatchewan, Nutrien (then PotashCorp), Cenovus (then Husky), Mosaic, Sask Energy, SaskPower, and TC Energy. Their contributions enabled the system to be free of charge to SIMSA members, as well as any major project procurement person.

Procurement Policy Suggestions

Through its work with BHP and others, SIMSA can provide several learnings, and makes the following recommendations.

As was stated earlier, the core is to:

- Provide advance notice of major upcoming projects, allowing suppliers time to prepare to compete.
- Hold pre-competition meetings with suppliers, to discuss in detail the project and how the competition will be scored. Consultation on how the competition could be structured, could also take place.

The following are our Procurement Policy Suggestions:

1. SIMSA is very supportive of any initiative regarding Supplier Development. We make the following recommendations tied to strong supplier development:
 - a. Develop effective ways to encourage EPC's/EPCM's on major projects to understand and use the capabilities of local suppliers, including encouraging the EPC/EPCM to use tools such as SIMSA's "Saskatchewan Supplier Database."
 - b. Take on the responsibility of evaluating and understanding the capability of local suppliers based on experience, capacity, past project evaluation, and ability to execute. Focus on best value for the buyer. Discussions and site visits would be part of this process.
 - c. Encourage the development of local business relationships / joint ventures allowing the creation of local expertise at competitive prices.
2. SIMSA recognises the important role that procurement staff have in building a stronger local capabilities and capacity, to serve the needs of both their company and the broader economy. We have the following recommendations regarding the procurement process:
 - a. Develop competition documents that allow competent local companies to effectively compete.
 - b. Create work packages that make sense for local companies avoiding bundling that encourages out-of-province competition.
 - c. Deliver better debriefing of unsuccessful local companies with the goal of helping them compete more effectively in the future. (See also the "Debriefing" section of this document)
 - d. Find better ways to allow innovation while protecting the companies that offer innovative solutions.
 - e. Create better privacy for bid submissions so they are not accessible via "access to information."

3. SIMSA recognises the leadership role that major projects have taken with respect to Indigenous procurement, and encourage others to embark on a similar journey. In this area, SIMSA makes the following recommendations:
 - a. Continue to consult with Indigenous companies on ways to increase involvement and to better understand their capabilities and experience.
 - b. Where it makes sense, use the Indigenous exemptions of trade agreements to assist Indigenous companies. Include the option of sole source contracts involving both Indigenous and non-indigenous local companies.
 - c. Require bidding companies to report on their Indigenous engagement in relationship to ownership, as well as:
 - i. Employment of Indigenous people
 - ii. Mentoring, education, training, and development of Indigenous people
 - iii. Community investment into areas positively impacting programs and services for Indigenous people
 - iv. Subcontracting to companies adhering to these herein described guidelines.
4. SIMSA also recognizes the ongoing relationship that exists between various agencies. SIMSA recommends:
 - a. Continued communication between all Government agencies on providing better access for local suppliers and on promotion of best value in procurement decisions.
5. Finally, SIMSA has some broader suggestions:
 - a. Educate Government on the importance of; (1) local companies as contributors to the economy, and (2) local companies as customers of Government.
 - b. Consider going to local suppliers rather than to OEM suppliers.
 - c. Look for opportunities to strengthen regional engineering sectors, by making better use of and helping develop local engineering companies.

Debriefing Process Suggestions

Debriefing is an opportunity for a non-selected supplier to learn what they have done well and what they can do better. However, we also recognize that the competing bidders have a right to privacy; as such debriefings tend to be centered around what the company being debriefed can do better, rather than the winning bidder's proposal, as it is important that the purchaser does not provide feedback that will give away the competitive edge of the successful vendor.

The following are our Debriefing Process Suggestions:

1. General

- a. SIMSA suggests that a debriefing should;
 - i. Include areas of strength and information that would assist in the preparing a winning future proposal – areas where a proponent could make improvements to their proposal to raise their overall score (i.e. lost points in the evaluation). It is not enough to advise the proponent they lost points in a particular category; to see supplier development occur they should know why the proponent lost points, as well as what type information or actions could the proponent do or provide to increase ranking. In short, it should be a fully detailed as possible explanation without indulging pricing. If it is loss due to pricing, then so be it. But if lost due to another reason, this needs to be explained in as detailed a manner as possible.
 - ii. Be factual, timely and provide targeted, pertinent information that the unsuccessful proponent can use to improve future submissions
 - iii. Include what a supplier can do in the future, to increase their chance of securing projects.
 - iv. Not be uncomfortable or a place to question the decision, both parties must see this as a growth and alignment opportunity.
 - v. Allow suppliers to know where they lost marks on the percentage allocations. And, maybe given some direction on what specifically the buyer is looking for, so we are able to strive toward achieving the level the buyer is looking for.
- b. SIMSA also notes that:
 - i. We can appreciate that everyone is busy and if there were multiple competitors for the bid, the buyer may not have the time nor the energy to have personal debriefs with each competitor. So, the buyer could consider one debrief per award above a certain amount. The competitors should not expect a debrief if the call was for a small amount . . . E.g. \$10k. That is just too small for this type of an exercise. This is geared more for around \$100k and up to take someone's time.

- ii. Verbal debriefing can sometimes better capture subtleties than a written one, and allows for an informative and educational dialogue on a variety of topics.
- c. We also request that a debrief includes:
 - i. A list of companies that suppliers were bidding against and who it was awarded to
 - ii. Other similar types of bids coming out at other buyer locations

2. The Evaluation Process

- a. SIMSA suggests that;
 - i. General information on ranking is important, as it allows firms to understand where they fit in the market space (i.e.: full points in this area, little points in that area, etc.).
 - ii. The most beneficial information will be directly on the result and why, what was expected and why, and how the decision was made
 - iii. When technical expertise is asked for in bid documents, it would be nice to know what value was placed on this expertise during the evaluation.
 - iv. If the buyer uses a “score sheet” during a bid evaluation it would be ideal for the supplier to get a copy of their own completed evaluation so they can identify potential gaps and actively work to address those issues in future packages. This would create a “win / win” situation for both the buyer and the supplier. Over time, the buyer would start getting better bid packages and contractors would gain by submitting more effective bid packages thereby gaining a better chance at landing the job. If the buyer does not wish to share these in their current form, perhaps one could be created that could be shared.
 - v. In short, one member suggested it would be good to know, “What puts the winner over the top compared to the rest of the pack.”
 - vi. The focus should always be on what part of the competition requirements the supplier did not fulfill or fell short in comparison to the winner.

3. Scope and Alternatives

- a. SIMSA suggested that:
 - i. A good debrief covers a review of the entire scope of work to identify estimation errors in labor and/or materials, as losing a bid is not exclusively due to margin; it is more often due to a misunderstanding of scope and requirements to complete the work, which then presents a different labor model and sometimes material BOM.
- b. Suppliers would like to know:
 - i. Whether they had a good technical submission or not. Did they miss anything in their proposal? Did they have anything that disqualified them?

- c. Suppliers have also noted that:
 - i. A scope review should be completed for a proper comparison to eliminate change orders from taking the lowest bid. Suppliers have found in the past, that their competition is bidding prices lower than their material costs which means there must be significant changes orders coming from that contractor from the moment the work commences.
- d. While recognising that competitive advantages should not be disclosed, suppliers would still like to know:
 - i. If alternatives or options were accepted from the specifications – “What exceptions the winning bid took to the project?” - especially if they would be considered acceptable in future bids to help get more competitive.

4. Timing

- a. The meeting to provide a debrief needs to be timely and should occur within a maximum of a month following award to the successful proponent.”
- b. In short, the successful bidder needs to be (1) posted in a timely manner or (2) in the case of smaller competitions, emailed to all bidders.

5. Pricing Specific

- a. SIMSA notes that:
 - i. The percentage the unsuccessful bid was over (or under) the awarded bid, could be presented in a bracket; 0-10%, 10%-20%, etc.
 - ii. Percentage is the only accurate and honest way to explain a lost bid and still make it fair to all parties involved. This gives the unsuccessful proponents the opportunity to review their price structure and look for opportunities to become more efficient\effective in the delivery of products and services.
 - iii. It would also be helpful to know who the successful bidder is and the approximate number of qualified tenders that were received. That could be communicated as; less than 5, 5 – 10, 10 – 15, etc.
 - iv. For services, price does not tell the whole story as the implementation plan matters. It is one thing to know how much the winning bid was for a services contract, but it could be because they provided less scope. As such, it would be better to know what the winning bid was and how far off your implementation plan was (maybe even comparison of hours).
 - v. The preferred order of disclosure would be
 - 1. Lowest bid (which may not be the winning bid)
 - 2. Winning bid
 - 3. Percentage bracket off by

- b. While recognising that this would require a lot of standardization on the buyer's behalf, and that this would be easier for goods than services:
 - i. If the buyer has a numeric metric to share, this could be useful. Members could then incorporate it into a CRM or analytical system, that tracks their performance rating.

6. Who Should do the Debriefing?

- a. SIMSA broadly recommends that the person doing the debrief, should be knowledgeable of the RFP, bid review process, and bid being reviewed. The number of persons required to do this could change depending upon scope.
- b. Suppliers suggest that the review should be done by:
 - i. Package or Project Manager not the purchasing lead, as Procurement may or may not be intimate with all of the determining factors over and above pricing alone; and if this person is not the end user, it would be appreciated to have someone from the technical side explain why the bid was unsuccessful.
 - ii. The decision maker or someone who can make changes if needed.
 - iii. Two people – one representing the technical portion (end user) and one representing the commercial portion (supply chain/procurement)
 - iv. Whomever is responsible for assigning the evaluation criteria values.
 - v. Primary caller for RFP, EOI, LOI, etc. - the ones who put the formal request out. The best is the one who made the decision.
 - vi. The purchaser as well as the lead engineer who conducted the technical review. In some cases, the head of procurement should also be involved.
 - vii. Sales Representative who handled the proposal

7. Other Suggestions

- a. Finally, SIMSA broadly suggests;
 - i. To possibly expedite the tender conclusion process, buyers might consider developing a template that would be used from job to job and emailed to the respective contractors, providing answers to the defined questions as determined through this survey.
- b. SIMSA members also broadly suggest to all Government agencies that:
 - i. If a project is awarded to an out of country/province contractor, more information should be provided on, "Why a contractor in country/province was not able to provide this work other than price?"
 - ii. All Government agencies should consider the implementation of a single procurement system that gives general guidelines of application, performance and access. The system should be standardized as much as possible with learning sessions for all

vendors to attend to learn to be a better vendor for each agency. The process should include stringent guidelines that are going to be adhered to, so the vendors feel the work they are doing is exactly to the expectations of the purchasers/buyers. This is a move away from a personalized relationship position and much more performance based.

- iii. But the criteria of performance must include things such as; proximity, past performance ratings, extraordinary support, etc. The aforementioned are meaningful for vendors who have invested time and energy to become aligned with the agencies, and their needs and expectations. Further, there should be supplier development system (supplier school) that is a co-investment. Both sides – government and vendor groups - come together to co-fund a system that gives back to the industry community and the public, a better performing supply chain that meets performance and expectations.