



Doing Business with the Government of Canada

Presented by [Office of Small and Medium Enterprises](#)

Office of Small and Medium Enterprises

- Supports small and medium enterprises (SMEs) through the federal procurement process
- Engages, assists and informs SME on how to sell goods and services to the Government of Canada
- Works to reduce barriers to ensure fairness in the process

Objectives

- Understanding the procurement process
- Registering your company
- Building networks
- Finding opportunities
- Bidding on opportunities
- Applying for security clearance and screening

Opportunities for small and medium enterprises

- Government of Canada is one of the largest buyers of goods and services in Canada
- Buys a wide range of goods and services each year, with contract values ranging from hundreds to billions of dollars
- Awarded the majority of contracts to smaller businesses in Canada from 2017 to 2020, including 74% of contracts valued at \$1 million or less

Contracting with the Government of Canada

- PSPC is the main procurement arm of the federal government
- It is important that all procurement activities be conducted in an open, fair and transparent manner, and that all suppliers have an equal chance at doing business with us
- Federal laws and regulations as well as Treasury Board of Canada policies guide the Government of Canada's procurement process

Delegated purchasing authorities within the Government of Canada

- In many cases, departments and agencies will purchase from suppliers directly. Departments and agencies have the delegated authority to buy:
 - Goods up to \$25,000
 - Services up to \$2,000,000 and Construction Projects up to \$400,000

- For procurements over these levels, departments and agencies work with PSPC. This is important for you to know, because if you sell goods or services below these amounts, you may wish to directly approach departments and agencies.

BuyAndSell.gc.ca Website

- The authoritative source for government procurement information
- One of the online resources that will be of great importance and help to you

Registering in the Supplier Registration Information System

- You will require a Procurement Business Number (PBN) in order to receive payment from PSPC
- A PBN will be supplied to you through the registration process in the [Supplier Registration Information \(SRI\) System](#)
- Before you begin, you will want to make sure you have your Canada Revenue Agency (CRA) Business number handy. Your business number is the first 9 numbers of your GST/HST number. If you don't have one, you can register for one on the CRA business registration website.
- It is also extremely important to enter into SRI the legal name of your business exactly as it appears on your CRA registration. Once you have your CRA Business number and legal business name handy, you can [start the registration process](#).
- There are two steps to registering in SRI. The first is entering your business information, and the second is selecting your commodities.
- Refer to information on how to [Register as a Supplier](#)

Procurement Strategy for Aboriginal Business

- The aim is to increase federal contracting opportunities and to gain access to the overall federal procurement process for Aboriginal businesses
- A national Government of Canada initiative led by Indigenous Services Canada
- The [Indigenous Business Directory](#) lists companies registered under Procurement Strategy for Aboriginal Business (PSAB)

Building networks

- For purchases under the threshold levels mentioned earlier, connect with officials in departments and agencies to learn about what directions their department's procurement may be heading
- Most purchases over these threshold amounts are managed by PSPC through the National Goods and Services Procurement Strategy, so you should connect with the PSPC contracting authority responsible for your particular good or service.
- Promote your business, and distinguish yourself from the crowd

Finding key government contracts

- [GCDirectory](#)
 - Provides a directory of most federal public servants across Canada (except for the Department of National Defence, RCMP, and the Canadian Security Intelligence Service)
- PSPC Regional Offices
 - Can provide information about selling opportunities in your specific area
 - You can [contact PSPC Regional Offices](#)

Know your business and know your clients

- What does your research tell you about your end user's needs?
 - It is important to know what the government needs and wants to buy, so that you can clearly show how you can respond to their needs.
- Who are the appropriate points of contact outside and/or inside government?
 - It's important to find out who does the buying and who the end users are so you can target the appropriate department or agency.
- Do you want to be the prime or subcontractor?
 - In some cases, you may want to consider partnering with another company, or becoming part of a larger company's supply chain.

Other organizations

- Some organizations such as industry associations, regional development agencies can also provide advice and guidance on companies that hold contracts for complex high-dollar value projects
- They can help you explore whether your company may be able to provide goods and services as part of a prime contractor's supply chain or as part of the Government of Canada's Industrial and Technological Benefit (ITB) Policy

BuyAndSell.gc.ca/tenders

- Is the official and free source suppliers should rely on to find Government of Canada tenders
- Is easy to navigate and suppliers can search for new contract opportunities as well as see past contract awards
 - Federal departments and agencies use [BuyAndSell.gc.ca/tenders](https://buyandsell.gc.ca/tenders) to advertise their requirements subject to any trade agreements and often will use it for other requirements as well.

Benefits of using BuyAndSell.gc.ca

- Access for free, no registration required
- Search using plain language, and filters
- Find data for any tenders, previous contracts, or current standing offers and supply arrangements
- Subscribe to a web feed and email notification to automatically receive notifications when opportunities are published or updated

Open Data on BuyAndSell.gc.ca

- Under the Procurement Data section:
 - Contract history
 - Current Standing Offers and Supply Arrangements
- Knowing what buyers have bought in the past and which companies have been successful selling to them can be very useful as you develop your business strategy. It can sometimes be an indicator of future purchasing plans.
- With the free Supplier Contract History Letter service, you can request a signed letter confirming contracts awarded to you by PSPC.
 - Get started: [Request your own Supplier contract history letter](#)
- A much broader audience is reached by encouraging the re-use and re-publishing of tender data by third parties to add value and services for their subscribers. Examples where this may be useful could be:

- A private sector tender publisher
- Industry associations

Government contracting data

- Researching contracting data can help you see an individual department or agency's purchasing history
- This can help you see which departments are buying your commodity so that you can identify potential client groups and connect with them to promote your business
- Information about contracts is available through the [Search Government Contracts](#) page on the Open Government portal.

Low dollar value procurement

- Although the majority of contracts below \$25K for goods and below \$40K for services are awarded using a competitive process, non-competitive approaches are used in some circumstances
- The aim is to get best value for Canadians while enhancing access, competition and fairness to businesses
- A familiar way of working, but an exhaustive list of potential clients can make it challenging to identify the best fit
- Suppliers may be identified through networks and research as well as various federal supplier registration systems

Competitive procurement

- Procurement over \$25,000 for goods and \$40,000 for services is done through the solicitation of bids and quotes from potential suppliers using a variety of methods
- The four most common types are:
 - An Invitation to Tender (ITT)
 - A Request for Proposal (RFP)
 - A Request for Standing Offer (RFSO)
 - A Request for Supply Arrangement (RFSA)
- The tender notice will indicate the method of procurement being used and will outline the solicitation documents

Standing Offers

- Standing Offers are used to meet recurring needs when departments or agencies are repeatedly ordering the same goods or services
- A RFSO is used to solicit standing offers. Suppliers who meet the evaluation criteria stated in the RFSO become pre-qualified suppliers and holders of standing offers.
- A Standing Offer is an offer from a potential supplier to provide goods and/or services at pre-arranged prices, under set terms and conditions, when and if required
- It is not a contract until the government issues a “call-up” against the standing offer. The government is under no actual obligation to purchase until that time

Supply Arrangements

- Supply Arrangements are used when goods or services are bought on a regular basis but when a standing offer is not suitable because of variables in the resulting call-ups
- Like standing offers, it is not a contract and neither party is legally bound as a result of signing a supply arrangement alone

- They allow client departments to solicit bids from a pool of pre-qualified suppliers for specific requirements.
 - This differs from standing offers that only allow client departments to accept a portion of a requirement already defined and priced.

Methods of supply

- ProServices: Informatics professional services and professional (IT and non-IT) services
- Task-Based Informatics Professional Services: specific information technology services
- Task and Solutions Professional Services: Human Resources, business consulting, change and project management
- SELECT: Construction, Architectural and Engineering, and related Maintenance and Consulting services
- Directory of Linguistic Service Providers: Translation, interpretation, terminology and word processes
- Temporary Help Services
- Depending on the nature of your business and the goods and services you provide, you may find it appropriate to apply to more than one method of supply of competitive supplier database.

Collaborative procurement

- Most provinces and territories have signed an agreement with PSPC which enables them, and their broader public sector organizations, to use specific federal standing offers or supply arrangements to procure goods and services
- Commodities now available for purchase by participants include office supplies, environmental paper, tires, and approximately 90 other goods.
- Benefits for suppliers: easier to sell to multiple levels of government in a streamlined approach and to expand their market. The potential value and scope of each opportunity should increase, and the bid preparation required by suppliers will reduce
- For more information and to view the list of commodities available, visit Canada.ca/buying-together

The non-competitive approach

According to Canadian Government Contract Regulations, sole source purchasing can only be undertaken under the following four circumstances.

- Pressing Emergency: delays could be injurious to public interest.
 - Example: boats needed for an emergency evacuation
- Cost not exceeding \$25,000: not considered cost effective to compete.
 - Adjusting to \$100,000 for architectural, engineering services as well as international development assistance projects
- Not in Public Interest:
 - Example: national security
- One Known Supplier:
 - Examples: copyright, license or patent

Advance Contract Award Notice

- When there is only one known supplier for a requirement (for example when only one company holds the Intellectual Property or for a particular security requirement), a buyer may choose to post an [Advance Contract Award Notice \(ACAN\)](#)
- This is a public notice posted on BuyAndSell.gc.ca/tenders allowing other suppliers to signal their interest in bidding on the opportunity and to demonstrate their ability to meet the requirement

- If no other supplier submits a statement of capabilities that meets the requirements set out in the ACAN, the contracting authority may then proceed with awarding the contract to the identified supplier. If one or more suppliers meet the requirements, the contracting authority will then begin a competitive process.

Requests for Information

- [Requests for Information \(RFI\)](#) are an opportunity for businesses to help shape the resulting requirements and provide input into the procurement process
- Requests for Information are also called Letters of Interest (LOI).
- It is not a bidding opportunity, but is issued in order to solicit information from the bidder community.

Bidding on opportunities

- Many Government of Canada contracts are awarded through a competitive process, which requires that you submit a bid
- Requirements can be quite specific, and you will want to make sure that your bid meets all of them and that you offer the best value for money

To bid or not to bid?

- As a supplier, you should ask yourself:
 - Am I capable of offering the service or product requested?
 - Do I meet the evaluation criteria?
 - Am I willing to accept all the terms and conditions?
- If you answered no to any of these questions, then that particular opportunity may not be the one for you

Attention to detail

- Follow the instructions and read all the terms and conditions thoroughly
- Ensure you address ALL of the evaluation criteria. Mandatory requirements are especially important, as only bids that meet these terms and conditions will be further evaluated
- Complete and sign each certification completely and accurately

Note: There are standard policies that apply to all government purchases, whether or not they are explicitly stated in solicitation documents. You can learn more by consulting the [Standard Acquisition Clauses and Conditions \(SACC\) Manual](#) and [Supply Manual](#) on BuyAndSell.gc.ca.

Ask questions during the procurement process

- Once a statement of work is being prepared, for fairness, you may only communicate with the contracting authority indicated in the solicitation document
- An exception exists for Public Private Partnerships, where there is competitive dialogue during the procurement process, overseen by a fairness monitor

Submitting your bid

- Know the bid closing date and where and how to submit your bid. Check for amendments to the closing date
 - Bids will NOT be accepted after the date and time indicated
 - For some PSPC tenders, bids can now be submitted electronically, using [Canada Post's epost Connect](#) online service.

Note: epost Connect is used only to submit your bid and receive a confirmation email. If you need to contact the contracting authority, follow the communication instructions in the solicitation documents.

- Ensure your proposal follows the format requested
- Sign the document and include all required signed and completed certifications
- Review your bid, then have someone else review it too
- During the evaluation process, the buyer may contact you for clarification on your bid. The evaluation or contract award process will not be delayed, so be sure you respond to any questions by the date and time stipulated in the request.

Security requirements

- A security clearance is necessary when a Government of Canada contract requires your personnel to access classified or protected information, assets or sensitive federal work sites
- Security requirements are identified in the solicitation document. If the opportunity that you are interested in requires a security clearance and you do not have one, contact the contracting authority to verify if you require a security clearance before bid submission or before contract award. They can help you clarify the requirements.
- The time required to obtain a security clearance will vary
- Delays in the security process could result in your bid being declared non-responsive
- For more information: [Organization and personnel security screening](#)

Contract Security Program

- The Contract Security Program (CSP) helps private sector organizations participate in Government of Canada and foreign government contracts. It provides security screening of organizations and their personnel for contracts with security requirements
- Security screening ensures that only trusted individuals and organizations with a valid need to know may gain access to:
 - Sensitive government information such as military plans
 - Personal information such as financial records of Canadians
- CSP offers [free webinars about its services](#).
- [Forms for contract security](#)

Mandatory electronic fingerprints

- PSPC requires mandatory electronic fingerprint requirements for its suppliers to meet RCMP criminal record check requirements
- The process applies to any organization that works or intends to work on Government of Canada contracts with security requirements. It also applies to any government who uses PSPC CSP services
- Electronic fingerprinting is required for all levels of security screening requests (reliability status, secret, top secret) and for applicants who need to obtain, update (renewal), or upgrade their personnel security screening clearances issued by PSPC

Mandatory credit checks

- Personnel of organizations working or intending to work on Government of Canada contracts with security requirements require a mandatory credit check.
- This requirement comes from the Government of Canada [Standard on Security Screening](#).
- Conducting credit checks as part of the overall assessment helps determine an individual's trustworthiness and reliability to access government information, assets and sites.

- A credit check is mandatory for any applicant needing a new security status or clearance or for an update or upgrade of their existing status or clearance.
- Applicants will not require a credit check for any transfer requests **unless**:
 - there is a [change of circumstance](#)
 - the security screening results are more than 5 years old
 - the security screening was not previously done in accordance with the [Standard on Security Screening](#)

For more information on security requirements

- More about [Mandatory electronic fingerprints](#)
- More about [Mandatory credit checks](#)
- PSPC offers [free webinar](#) training for organizations bidding and working on government contracts with security requirements
- For assistance, [contact the Contract Security Program](#)

Contact the Contract Security Program

- Phone:
 - Toll free: 1-866-368-4646
 - National Capital Region: 613-948-4176
- [Email the Contract Security Program](#)
- Website: [Security requirements for contracting with the Government of Canada](#)

Federal Contracting Fraud Tip Line

- A partnership between the Competition Bureau, the Royal Canadian Mounted Police (RMCP) and Public Services and Procurement Canada
- It encourages Canadians to anonymously report any suspected wrongdoing in Government of Canada procurements (fraud, collusion and corruption) by calling a toll-free number (1-844-365-1616) or completing an [online reporting form](#)
- The information provided can help conduct investigations and introduce due diligence measures, where warranted, to protect the integrity of federal contracts and real property agreements
- Any suspected criminal activity that is uncovered will be turned over to the Competition Bureau and/or the RCMP
- For more information, visit the [Federal Contracting Fraud Tip Line website](#) or contact the [Competition Bureau](#)

Starting work

- It is essential to remember that without a contract in place, there is no mechanism for payment by the Government
- Under no circumstance should a supplier begin work until an agreement is in place and signed by the contracting authority
- The Government of Canada is not accountable for paying for any work that has been done prior to the signature of an agreement

Purchase orders

- A purchase order can be used for purchases under \$25,000
- The purchase order will indicate the buyer's requirements and the price they are willing to pay for the good or service

- Once accepted a purchase order becomes a contractual agreement

Payment

- The government has 30 days following receipt of an invoice or receipt of the goods or services, whichever is later, to issue payment before interest accrues
- Government acquisition cards are issued to eligible procurement and administrative officers to permit them to buy very low dollar value goods or services
- The government uses a direct deposit method of payment. Register with individual departments and agencies

Seminars

- Doing Business with the Government of Canada
- Finding Opportunities on BuyAndSell.gc.ca
- Bidding on Opportunities
- Defence and Security Procurement
- Supplying Professional Services to the Government of Canada
- Obtaining Security Clearance

View the full [schedule of events](#)

Request assistance

If you need help understanding the federal procurement process or registering for a procurement business number:

- Contact the National InfoLine 1-800-811-1148 (Monday to Friday 8:00am to 5:00pm ET);
- [Request a callback](#) from the Office of Small and Medium Enterprises (OSME); or,
- [Find an OSME regional office near you](#). We have a network of offices across Canada.

Electronic procurement solution

The Government is moving federal procurement online. During this transition, you may be able to bid on some tender opportunities through the electronic procurement solution. [Find out more.](#)