

Thank you for your letter dated 31 May 2016. We are pleased to provide the following answers to your questions.

1. How much notice generally does Public Service and Procurement Canada (PSPC) provide industry stakeholders of upcoming projects?

For complex procurement, PSPC engages industry through several engagement activities. Those include:

- Industry days;
- Informal discussions;
- one-on-one supplier consultations;
- on-line questionnaires;
- focus groups;
- Request for Information;
- Letter of Interest;
- Review of solicitation documents (Statement of Work, Request for Proposals etc...)

There are no set time to perform these activities, but normally these activities take place well in advance of the actual procurement to obtain industry feedback in the requirement definition and preparation of the Request for Proposal documents. Attached is our Policy on engagement.

For military procurements, early and continuous engagement is an essential part of the defence procurement process. Early engagement is an important element in improving economic outcomes of defence procurement, and in streamlining defence procurement processes. Engagement establishes a two-way conversation between industry and government to better understand needs and available solutions; it promotes a transparent approach to public procurement, and has many benefits, including:

- Helping government understand what industry solutions are available—this is important in shaping requirements and identifying innovative solutions to government needs;
- Allowing for an open, fair and transparent process and facilitating more frequent and comprehensive information-sharing between industry and government;
- Providing industry with an early and better understanding of capability requirements and the desired outcomes of benefit to Canada, which limits the risk of problems that can emerge later in a defence procurement process, ensuring cost-effective and timely delivery of the right equipment for the CAF; and,
- Facilitating more timely and informed decision-making by government.

The Government of Canada hosts industry sessions to ensure continuous engagement. The Department of National Defence lists most of their upcoming projects within the next five (5) years on the Defence Acquisitions Guide which is available to all at:

<http://www.forces.gc.ca/en/business-defence-acquisition-guide-2016/index.page>

In addition, Innovation, Science and Economic Development Canada also list upcoming projects which will require industry to provide Industrial and Technology benefits. This list can be found at:

http://www.ic.gc.ca/eic/site/086.nsf/eng/h_00056.html

For non-military procurements, there has been discussion to advertise large requirements on a website available to industry well in advance of the actual procurement in a similar way as for military procurements. No decision has been taken regarding this initiative.

2. Is Canada adopting an outcome based approach and if so what were the driving causes behind this?

Canada is indeed proceeding with an outcome based approach in more and more of its complex procurements. The Prime Minister of Canada, in his mandate letter to the Minister of PSPC, has made it a priority (i.e. reference to the importance of outcome approach made throughout the mandate letter which can be found at <http://pm.gc.ca/eng/minister-public-services-and-procurement-mandate-letter>).

Examples of outcome based procurements can be found below:

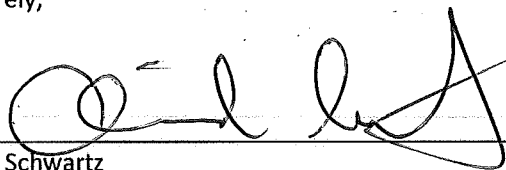
- New bridge on the St-Laurence: <https://buyandsell.gc.ca/procurement-data/tender-notice/PW-NB-001-68955>
- Restructuring of AECL Laboratories : <https://buyandsell.gc.ca/procurement-data/tender-notice/PW-14-00614229>
- eProcurement Solution: <https://buyandsell.gc.ca/procurement-data/tender-notice/PW-XN-111-30006>
- CARMS: <https://buyandsell.gc.ca/procurement-data/tender-notice/PW-EL-627-29885>

In 2015, the Government of Canada has identified sixteen high-level **outcome** areas for investments. Those can be found at: <https://www.tbs-sct.gc.ca/ppg-cpr/frame-cadre-eng.aspx>


The use of value propositions is one tool to ensure outcome driven procurements. Information can be found at: <https://www.ic.gc.ca/eic/site/086.nsf/eng/00006.html>

Should you require additional material, please do not hesitate to contact either of us.

Sincerely,



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