

Annex F-ISS

V2

Medium Range Radar ISS

Industrial and Technological Benefits (ITB)

Model Evaluation Plan

Version 3.0

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1. INTRODUCTION

- 1.1. The purpose of the ITB Evaluation Plan is to describe the methodology that will be used to evaluate the ITB Proposal submitted by the Bidder.
- 1.2. Bidders' ITB Proposals will be evaluated as either acceptable or not acceptable. A Bidder's ITB Proposal will be deemed acceptable if it: i) meets all of the ITB Mandatory Requirements outlined in Clause 5 of the ITB Bidder Instructions; and, ii) achieves during ITB Evaluation no less than 32 points (out of a possible 64) for the ITB Plans and no less than 240 points (out of a possible 480) for the ITB Transactions.
- 1.3. The results of the ITB Evaluation will be conveyed to the Contracting Authority at Public Works and Government Services Canada (PWGSC). The results will then be integrated into the overall bid evaluation results on a pass/fail basis, as outlined in part 4 of the Medium Range Radar ISS RFP.
- 1.4. Bidders are strongly encouraged to closely review the entire ITB Bidder Instructions document.
- 1.5. Each ITB Proposal will be evaluated to determine if it meets the requirements for acceptability as outlined in Clause 1.2
- 1.6. All ITB Proposals will be evaluated based on the factual information as presented in the ITB Proposal.

2. ITB MANDATORY REQUIREMENTS

- 2.1. The chart below details each Mandatory ITB Requirement and how the ITB Authority will confirm whether each has been met.

ITB Mandatory Requirement	Method to Confirm	Failure to Meet Requirement
1. Bidder commits to achieving ITB activities valued at 100% of the contract value.	Mandatory ITB Requirements Certificate, duly signed and submitted.	ITB Proposal deemed not acceptable
2a Bidder has specified its bid price, not including taxes and rounded to the nearest dollar	Mandatory ITB Requirements Certificate, duly	ITB Proposal deemed not acceptable

	signed and submitted, with bid price provided.	
2b. Bidder has identified eligible ITB Transactions equal in total to not less than 30% of the bid price, measured in CCV.	CCV value of each eligible ITB Transaction in the Bidder's ITB Proposal is totalled, then compared against the bid price.	ITB Proposal deemed not acceptable
2c. Bidder commits to identifying, one year after the Effective Date of the contract, additional eligible ITB Transactions which bring the cumulative total of eligible ITB Transactions to not less than 60% of the Contract value, measured in CCV.	Mandatory ITB Requirements Certificate, duly signed and submitted.	ITB Proposal deemed not acceptable
2d. Bidder commits to identifying, three years after the Effective Date of the contract, additional eligible ITB Transactions which bring the cumulative total of eligible ITB Transactions to 100% of the Contract value, measured in CCV.	Mandatory ITB Requirements Certificate, duly signed and submitted.	ITB Proposal deemed not acceptable
3. Bidder commits to achieving not less than 15% of the Contract value in Small and Medium Business ITB Transactions, measured in CCV.	Mandatory ITB Requirements Certificate, duly signed and submitted.	ITB Proposal deemed not acceptable
4. Bidder accepts and agrees to the terms associated with a failure to meet ITB obligations (Holdbacks and/or Liquidated Damages).	Mandatory ITB Requirements Certificate, duly signed and submitted.	ITB Proposal deemed not acceptable
5. Bidder accepts all of the ITB Terms & Conditions	Mandatory ITB Requirements Certificate, duly signed and submitted.	ITB Proposal deemed not acceptable
6. Bidder submits all the required components in ITB Proposal: <ul style="list-style-type: none"> • Executive Summary of ITB Commitments • Company Business Plan • ITB Management Plan 	Presence of each required component in the ITB Proposal. and	ITB Proposal deemed not acceptable

<ul style="list-style-type: none"> • Regional Development Plan • Small and Medium Business Development Plan • Detailed ITB Transaction Sheets, accompanied a summary chart of all ITB transactions. • Signed Mandatory ITB Requirements Certificate 	Mandatory ITB Requirements Certificate, duly signed and submitted.	
Table 2-1, Mandatory ITB Requirement Evaluation Chart		

3. MINIMUM POINTS ACHIEVEMENT

- 3.1. Each ITB Proposal will be evaluated to determine if it achieves the minimum points required for the ITB Plans and ITB Transactions.

- 3.2. Evaluation of ITB Plans
 - 3.2.1. The Executive Summary is assessed to ensure that it is present in the ITB Proposal. It is not scored.

 - 3.2.2. ITB Plans:
 - 3.2.2.1. Each ITB Plan is evaluated to confirm that it is present in the ITB Proposal. Each plan is then given a score for Quality and a score for Risk, using the ratings in Tables 3-1 and 3-2.
 - 3.2.2.1.1. Quality will be assessed as to whether the plan responds to all the requested components outlined in the Statement of ITB Work, the level of detail in the component, and how well the content of the plan meets the ITB Objectives.

 - 3.2.2.1.2. Quality will be rated on a scale of one (1) to four (4), using the ratings below in Table 3-1;

VALUE	ITB PLAN – QUALITY RATINGS
4	<p>SUPERIOR Plan contains most of the requested items in the Statement of ITB Work. Items are very well developed. The plan demonstrates that most of Canada’s ITB Objectives will be met.</p>
3	<p>GOOD Plan contains many of the requested items in the Statement of ITB Work. Items are generally well developed. The plan demonstrates that many of Canada’s ITB Objectives will be met.</p>
2	<p>POOR Plan contains some of the requested items in the Statement of ITB Work. Items are somewhat developed. The plan demonstrates that some of Canada’s ITB Objectives will be met.</p>
1	<p>VERY WEAK Plan contains very few of the requested items in the Statement of ITB Work. Items are not well developed. The plan does not demonstrate that Canada’s ITB Objectives will be met.</p>

Table 3- 1, ITB Plan Quality Ratings

3.2.2.1.3. Risk will be assessed as to the levels demonstrated in the plan of previous experience, ITB capability, and ITB planning, resources and engagement.

3.2.2.1.4. Risk will be rated on a scale of one (1) to four (4), using the ratings below in Table 3-2

VALUE	ITB PLAN - RISK RATINGS
4	<p>SUPERIOR Plan demonstrates a comprehensive level of experience, capability and planning, resources and engagement such that the probability of failure to achieve is extremely low.</p>
3	<p>GOOD Plan demonstrates a good level of experience, capability and planning, resources and engagement such that the probability of failure to achieve is low.</p>

VALUE	ITB PLAN - RISK RATINGS
2	POOR Plan demonstrates some level of experience, capability and planning, resources and engagement such that the probability of failure to achieve is moderate.
1	VERY WEAK Plan demonstrates a very limited level of experience, capability and planning, resources and engagement such that the probability of failure to achieve is significant.

Table 3- 2, ITB Plan Risk Ratings

3.2.2.2. The average Quality and Risk scores for each plan will be multiplied together and the sums added together to determine the Final Plans Score for each ITB Proposal;

3.2.2.3. The Bidder must achieve or exceed a Final Plans Score score of thirty two (32) points (out of a possible sixty-four (64) points).

EXAMPLE:

Plan	Quality Score (A)	Risk Score (B)	Plan Score (C) (C) = (A) x (B)
Company Business Plan	4	3	12
ITB Management Plan	2	3	6
Regional Development Plan	4	4	16
SMB Development Plan	4	2	8
Final Plans Score			42

3.3. Evaluation of ITB Transactions

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- 3.3.1. Each ITB Transaction will be evaluated to determine whether it aligns with the ITB Bidder Instructions and with the ITB Terms and Conditions, with respect to ITB Eligibility and transaction types.
- 3.3.2. If a proposed ITB Transaction is found to not meet the criteria outlined in 3.3.1, it will be rejected during the ITB evaluation. For further clarity, a rejected ITB Transaction:
- 3.3.2.1. will be counted as zero when calculating the final ITB Transaction evaluation score; and,
- 3.3.2.2. will be counted as zero when calculating whether the Bidder has identified ITB Transactions totalling not less than 30% of the Bid Price.
- 3.3.3. If a Proposed ITB Transaction is found to meet the criteria outlined in 3.3.1, it will be given a score for Quality and a score for Risk, using the ratings in Tables 3-3 and 3-4.
- 3.3.3.1. Quality will be assessed as to whether the Transaction responds to the requested components outlined in the Statement of ITB Work, the level of detail in the component, and how well the ITB Transaction meets the ITB Objectives.
- 3.3.3.2. Quality will be rated on a scale of one (1) to four (4), using the ratings below in Table 3-3;

VALUE	ITB TRANSACTION - QUALITY RATINGS
4	<p>SUPERIOR The ITB Transaction is very well described. Most items contain a very good level of detail. The ITB Transaction demonstrates that most of Canada's ITB Objectives will be met.</p>
3	<p>GOOD The ITB Transaction is well described. Items are detailed. The ITB Transaction demonstrates that many of Canada's ITB Objectives will be met.</p>
2	<p>POOR The ITB Transaction is somewhat described. Several items are not detailed. The ITB Transaction demonstrates that some of Canada's ITB Objectives would be met.</p>

VALUE	ITB TRANSACTION - QUALITY RATINGS
1	VERY WEAK The ITB Transaction has minimal description. Most items are not detailed in any way. The ITB Transaction demonstrates that very few of Canada's ITB Objectives would be met.

Table 3-3, ITB Transaction Quality Ratings

3.3.3.3. Risk will be assessed as to the levels demonstrated in the Transaction of previous experience, ITB capability, and ITB planning, resources and engagement.

3.3.3.4. Risk will be rated on a scale of one (1) to four (4), using the ratings below in Table 3-4;

VALUE	ITB TRANSACTION - RISK FACTORS
4	SUPERIOR The ITB Transaction demonstrates a comprehensive level of experience, capability and committed planning, resources and engagement such that the probability of failure to achieve is extremely low.
3	GOOD The ITB Transaction demonstrates a good level of experience, capability and committed planning, resources and engagement, such that the probability of failure to achieve is low.
2	POOR The ITB Transaction demonstrates some level of experience, capability and committed planning, resources and engagement, such that the probability of failure to achieve is moderate.
1	VERY WEAK The ITB Transaction demonstrates a very limited level of experience, capability and committed planning, resources and engagement, such that the probability of failure to achieve is significant.

Table 3-4, ITB Transaction Risk Ratings

3.3.4. The score for each ITB Transaction will be determined by multiplying together the following three items: i) the applicable CCV value (rounded to the closest million Canadian dollars); ii) the average Quality score; and iii) the average Risk score;

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- 3.3.5. The resulting scores for each ITB Transaction will then be totalled, divided by the total ITB Commitment (or the total of the Bidder’s identified ITB Transactions, whichever is greater) and multiplied by one hundred (100) to obtain the Final Transactions Score;
- 3.3.6. For the first tranche of ITB Transactions due at bid closing, the Bidder must achieve or exceed a Final Transactions Score of two-hundred and forty (240) points (out of a possible four hundred and eighty [480] points).

EXAMPLE:

In this example the Bidder makes an ITB Commitment of \$250M and has identified eligible ITB Transactions valued at \$80M in its ITB proposal at bid closing.

ITB Transaction #	CCV \$ (A)	Avg Quality score (B)	Avg Risk score (C)	Transaction Score (D)=(A) x (B) x (C)
001	\$20M	3	2	120
002	\$15M	4	3	180
003	\$45M	4	3	540
Total of Transaction scores				840
Final Transactions Score – (840/250) x 100				336

- 3.3.7. For the second tranche of ITB Transactions due from the winning contractor one year after contract award, the point score for these Transactions will be combined with the point score from the first tranche, and taken together, the minimum acceptable ITB Transaction assessment score is four hundred and eighty (480) points (out of a possible nine hundred and sixty [960]).

4. ITB EVALUATION PROCESS

- 4.1. ITB evaluations take place within the context of the overall procurement evaluation process, led by the PWGSC Contracting Authority and outlined in Part 4 of the RFP.
- 4.2. Participant Roles and Responsibilities
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- 4.2.1. The ITB Evaluation is led by the ITB Authority, with participation from representatives of the Regional Development Agencies (RDAs).
- 4.2.2. Members of the ITB Evaluation team are responsible to:
- 4.2.2.1. Possess sufficient ITB knowledge and evaluation experience to contribute effectively to the ITB evaluation;
 - 4.2.2.2. Be cognizant of all relevant ITB documentation;
 - 4.2.2.3. Be aware of and use the evaluation tools provided ;
 - 4.2.2.4. Be aware of and follow evaluation process, conduct and security guidelines;
 - 4.2.2.5. Actively participate in evaluation discussions and scoring;
 - 4.2.2.6. Perform the ITB evaluation in accordance with the Evaluation Plan;
 - 4.2.2.7. Seek consensus and endorse evaluation results.
- 4.2.3. The ITB Authority will lead the ITB evaluation and hold overall responsibility for ensuring that the members of the evaluation team carry out their responsibilities. The ITB Authority will act as the liaison between the ITB evaluation team and outside officials, such as project evaluation officials, the Contracting Authority, any Fairness Monitor, etc.
- 4.2.4. The Fairness Monitor (*if applicable*) is responsible to the PWGSC Contract Authority and has the responsibility of providing fairness advice and oversight on all aspects of the procurement. He/she may observe any part of ITB Evaluation.
- 4.3. Process Overview
- 4.3.1. The Industry Canada (IC) Evaluation Lead will provide participants with an introductory overview of ITB mandatory requirements, evaluation procedures, security and documentation, and any Fairness Monitor participation.
 - 4.3.2. In evaluating each ITB Proposal, evaluators will first read the proposal. Discussion and scoring of each plan and transaction will then take place.
 - 4.3.3. Once discussion and scoring are completed for all ITB Proposals, the results will be calculated and endorsed by all participants, and the pass/fail status of each Bidder will be conveyed to the PWGSC Contract Authority.
 - 4.3.4. The ITB evaluation team will make every effort to ensure that the same officials participate throughout the entire evaluation, so as to ensure maximum fairness and consistency for all bidders.
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- 4.3.5. The sensitive nature of the ITB Proposal evaluation requires the application of stringent security measures throughout the process. The overall responsibility for ITB evaluation security rests with the IC Evaluation Lead and extends out to each participant.
- 4.3.6. Upon receipt by the ITB Authority, the Bidders' ITB Proposals shall only be made available during the evaluation, to those individuals participating in the evaluation process. All ITB Proposals and any written evaluation material shall be secure at all times during the course of the evaluation and will be securely stored and locked when not in use. ITB evaluation participants will not discuss the evaluation material or results outside of the evaluation room, except as required by the evaluation process. At the completion of the evaluation process, the ITB Proposals will be disposed of in accordance with Section xxx of the RFP (or in consultation with the PWGSC Contracting Authority).
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