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11 Laurier St., / 11, rue Laurier
Place du Portage, Phase III
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Gatineau
Québec
K1A 0S5
Bid Fax: (819) 997-9776

LETTER OF INTEREST
LETTRE D'INTÉRÊT

Comments - Commentaires

Vendor/Firm Name and Address
Raison sociale et adresse du
fournisseur/de l'entrepreneur

Issuing Office - Bureau de distribution
Informatics Professional Services - EL Division/Services
professionnels en informatique - division EL
4C2, Place du Portage
Gatineau
Québec
K1A 0S5

Title - Sujet CARM Solution - Solution GCRA	
Solicitation No. - N° de l'invitation 47064-165038/A	Date 2015-05-06
Client Reference No. - N° de référence du client 1000325038	GETS Ref. No. - N° de réf. de SEAG PW-\$\$EL-627-28890
File No. - N° de dossier 627e1.47064-165038	CCC No./N° CCC - FMS No./N° VME
Solicitation Closes - L'invitation prend fin at - à 02:00 PM on - le 2015-08-05	
Time Zone Fuseau horaire Eastern Daylight Saving Time EDT	
F.O.B. - F.A.B. Plant-Usine: <input type="checkbox"/> Destination: <input type="checkbox"/> Other-Autre: <input type="checkbox"/>	
Address Enquiries to: - Adresser toutes questions à: Aubin, Marc A.	Buyer Id - Id de l'acheteur 627e1
Telephone No. - N° de téléphone (819) 956-1436 ()	FAX No. - N° de FAX () -
Destination - of Goods, Services, and Construction: Destination - des biens, services et construction: Specified Herein Précisé dans les présentes	

Instructions: See Herein

Instructions: Voir aux présentes

Delivery Required - Livraison exigée See Herein	Delivery Offered - Livraison proposée
Vendor/Firm Name and Address Raison sociale et adresse du fournisseur/de l'entrepreneur	
Telephone No. - N° de téléphone Facsimile No. - N° de télécopieur	
Name and title of person authorized to sign on behalf of Vendor/Firm (type or print) Nom et titre de la personne autorisée à signer au nom du fournisseur/ de l'entrepreneur (taper ou écrire en caractères d'imprimerie)	
Signature	Date

Solicitation No. - N° de l'invitation

47064-165038/A

Amd. No. - N° de la modif.

File No. - N° du dossier

627e147064-165038

Buyer ID - Id de l'acheteur

627e1

Client Ref. No. - N° de réf. du client

1000325038

CCC No./N° CCC - FMS No/ N° VME

See attached.

Letter of Interest (LOI)

CBSA Assessment and Revenue Management (CARM) Project

FOR

Canada Border Services Agency (CBSA)

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1.0 OBJECTIVE OF THIS LETTER OF INTEREST (LOI)

1.1 High Level Summary of the CARM Project

CBSA is the second largest revenue collector for the Government of Canada, next to the Canada Revenue Agency (CRA). Due to obsolete and not-integrated accounting systems, the CBSA has difficulty obtaining accurate, timely, complete and reliable financial information to fulfill its reporting responsibilities to key stakeholders. There exists, accordingly, an overwhelming need for the CBSA to manage and account for its revenues more efficiently and effectively, as well to modernize its systems and processes to meet the financial processing needs of its clients and stakeholders.

To fill this need, the CBSA Assessment and Revenue Management (CARM) Project was put in place. It will modernize the systems and processes that support the assessment and collection of revenue from importers, and for reporting on revenue information and trade data. The CARM Project initiative will support a number of business improvements needed to address inefficiencies with current systems and processes and also meet key Government of Canada (GoC) objectives for “red tape” reduction and regulatory reform. CARM will also work towards streamlining processes with our stakeholders and trade chain partners. The CBSA will be seeking a Supplier to provide a solution to modernize the above-mentioned systems and processes and support the required business improvements. More information regarding the CARM Project requirements are provided under Annex A.

The outcomes of this sourcing process is to establish that a supplier can do the work requested and has a value proposition consistent with the CARM project expectations.

It is expected that the Supplier will:

- Design, build and deploy the CARM solution across people, process and technology with quality, cost and schedule certainty;

Pending evaluation by CBSA and through consultative input from Industry during this procurement process, the Supplier may:

- Manage, maintain and support the CARM solution with a Service Level Agreement (SLA) based, multi-year services arrangement with clearly defined exit capability; and
- Provide ongoing transformation/innovation capability.

The CBSA will:

- Retain ownership of strategic direction, business requirements and architecture control, service management;
- Interface with required Stakeholders; and
- Implement a service delivery model supported by the required capabilities and organization to achieve the intended value.

1.2 Purpose of this LOI

This procurement is being conducted under the PWGSC Smart Procurement approach and seeks to engage industry early in the process to better understand needs, options and available solutions prior to the finalization of requirements.

This LOI is to initiate engagement with industry, seek interest from potential suppliers to participate in information sessions such as Industry Day and One-on-One meetings and to confirm that industry is interested in investing for this procurement. The content of this LOI is intended to provide industry with initial context and details pertaining to the CBSA's requirement. For the purposes of this LOI, the target audience is potential suppliers of the solution.

The purpose of the Industry Day will be for an open forum allowing CBSA to communicate, with interested suppliers, its requirements at a high level, and for Industry to ask questions and seek information in order to gain a sound understanding of the business needs.

The purpose of the One-on-One meetings will be intended to further provide the industry participants an opportunity to engage in an open dialogue with CBSA regarding the information/feedback being sought.

Additional means to obtain information or feedback from the Industry may also be used during the Industry Engagement Process. These additional means will be communicated with specific instructions in due course.

Additional information regarding CBSA's proposed procurement approach is provided in Annex B and the registration instructions for the Industry Day is also provided under Annex D of this LOI.

1.3 Objective of this LOI

Through the engagement and any subsequent solicitation processes, the CBSA seeks to acquire the services of a Supplier to modernize the Agency's revenue management and trade programs and systems, as well as to automate many of the current manual processes required to collect, assess, manage and report on these revenues. CBSA is seeking a solution that will:

- Modernize the systems and processes that support the assessment and collection of revenue from importers, and for reporting on revenue and trade information; and
- Support innovation and business transformations across the commercial continuum.

To support this objective, CBSA intends to undertake an Industry Engagement Process, to seek interest, feedback and advice from industry regarding capacity within the marketplace to meet the CARM requirements. This engagement is a means of gathering information, to assist in accomplishing the following specific purposes:

- To investigate possible approaches and techniques for meeting business requirements in a timely and cost effective manner;
- To determine the extent to which current capacity exists within the marketplace to provide a solution that meets CBSA's needs;
- To identify and manage risks associated with the proposed approach and seek feedback on suggested alternative approaches; and
- To seek feedback on documents, such as requirements, evaluation criteria, etc.

The information provided throughout this Industry Engagement Process should be reflective of solutions, services and capabilities that are readily available within the marketplace. The information provided and any lessons learned from discussions may contribute to the scope and range of service offerings sought by the CBSA in any subsequent solicitation processes.

Annex A

CARM Project Information and High Level Solution Requirements

A.1 Background

With the establishment of the Canada Border Services Agency (CBSA) in December 2003, the Agency took over the responsibility for managing revenue and cash management legacy systems from the Canada Customs and Revenue Agency (CCRA). These systems are obsolete, not integrated, non-compliant with today's accrual accounting environment, and lack an integrated accounts receivable system. These systems cause problems as they encumber the Agency's ability to administer, account for, and report financial transactions accurately, efficiently and cost-effectively.

These problems and deficiencies have been noted in audits and evaluations, many of which focused on the challenges the Agency faces in meeting its departmental and government-wide financial reporting requirements. In October 2010, the Office of the Auditor General (OAG) examined the CBSA's ability to assess and collect duties and taxes. The following were some of its key observations:

- The Agency's revenue systems are in need of modernization. The CBSA uses a number of separate information systems to assess and collect revenue from importers, all of which are then fed into the Agency's main revenue reporting system, the Revenue Ledger. However, as transfers and reconciliations between the systems and the Revenue Ledger must be performed manually, the CBSA is unable to fully reconcile the revenue information across its systems.
- The Agency does not have reasonable assurance that commercial clients' assessments of the duties and taxes owed are based on accurate information. Without such assurance, the Agency cannot verify that assessments are correct and it cannot be certain that it is collecting the correct revenues owed. It also risks providing other government organizations, such as Statistics Canada and the Department of Finance (DoF) Canada, with inaccurate and incomplete trade and revenue information.
- The lack of electronic payment options under the current regime creates difficulties for the trade community and the CBSA. Most importers and brokers have to deliver cheque payments in person to Agency offices. Given that not all CBSA points of entry have the ability to enter the required data on site; this means that the CBSA does not have timely information on accounts that have been paid which adversely affects reporting requirements.

In response to the OAG, the CBSA initiated the Accounts Receivable Ledger (ARL) initiative, which will now comprise the first phase of the CARM Project. The ARL project will mitigate some significant risks faced by the Agency and address a number of criticisms related to revenue management, accounting and reporting processes. The ARL initiative will address existing accounting revenue processing difficulties and improve internal controls by integrating and

standardizing program functions, maintaining client accounts, controlling accounts receivable information centrally and further automating revenue programs.

Funding for the CARM project was approved in the 2010 budget. This funding allows the CBSA to re-engineer its business processes associated with revenue management, reporting and trade programs, and replace existing antiquated systems. The project will provide viable solutions for obtaining accurate, timely, complete and reliable financial information to discharge its reporting responsibilities to key stakeholders, manage and account for tax revenues efficiently and effectively, and meet the financial processing needs of its clients and other stakeholders. To efficiently manage human and financial resources and lessen impacts on operations, it is expected that the CARM scope will be prioritized and divided into distinct but integrated implementation phases.

CARM will align to the Government of Canada's (GoC) Red Tape Reduction Commission by removing administrative burdens for our business clients, through the development of new assessing programs and systems. CARM will provide for automated adjustments to facilitate processes for importers and ensure CBSA has more accurate trade data in a timelier manner. By collecting more accurate trade data, CBSA will be able to manage financial risk in a more effective manner. It will also allow CBSA to respond to changing program needs, such as a requirement for automated surtaxes. Program modernization will also allow CBSA to implement automated program monitoring and reporting tools that will support more robust compliance monitoring and the identification of national trends.

In addition, a modernized financial management regime will provide for client-based (currently transaction based) and accrual accounting, making CBSA compliant with the GoC's Financial Information Strategy. It will introduce a cohesive set of processes and systems that will allow for fully automated revenue reporting and reconciliation for more accurate, timely reporting that will be less prone to error as manual intervention will be eliminated.

The CARM project will bring much needed improvements to the way in which the Agency delivers services to its clients. The gradual introduction of e-business solutions and the elimination of manual payment, deposit and reconciliation processes will reduce the paper burden for clients and simplify the assessment and payment process. A portal and a modern suite of business tools will allow clients to conduct their CBSA business online and will expand options for the transmission of trade data.

Current tools used by CBSA employees are not integrated and centralized, thus do not provide a holistic view of a client's account activity. A streamlined client registration process will support new programs and systems for assessments and re-assessments of duties, taxes, penalties, interest charges, licence fees and other special service fees owed by clients. It will also support client-based accounting. Rather than the current transactional-based accounting, client-based accounting will improve the financial information flow between the CBSA and its clients. It will also facilitate future development of new assessment and payment options for clients.

CBSA will benefit from more accurate financial reports supported by client-based and consolidated accounting, better tools and data for compliance verification activities, and rigorous financial risk assessment processes to manage account security and client accounts.

A.2 CARM Capabilities

The six major components of CARM and the capabilities contained within each are described below:

A.2.1 Revenue Management

This component is comprised of business capabilities that allow CBSA to support the management and reporting of tax and non-tax revenue collected by CBSA either for CBSA or on behalf of another government department or agency. The capabilities within this component are:

Revenue Management: The Revenue Management capability will extend the CARM Release 1 (ARL) Revenue Management to provide a financial controls framework to reconcile differences between the assessment and adjustment sub-processes and the Revenue Ledger. It will:

- Provide transparency and visibility to the source transaction of the revenue item at the sub-ledger level;
- Provide the CBSA's Comptrollership Branch with the ability to manage the account determination rules;
- Produce a new, enhanced Statement of Account (SoA) with the ability to drilldown to the source transaction;
- Implement Revenue Ledger accounting accrual and closing sub-process improvements;
- Implement Sub-ledger sub-processes and activities for interdepartmental settlements;
- Enable workflow for financial approval for adjustments and payment sub-processes;
- Implement temporary importations sub-processes with cash and non-cash security;
- Implement case management for commercial client level transactions;
- Provide the ability to capture traveler summary deposit and revenue information; and
- Enable accounting in the Revenue Ledger for casual refunds, postal transactions, fees and penalties.

Invoicing and Payment Management: This capability will enable electronic payment remittance via Electronic Data Interchange (EDI) for CBSA commercial clients through participating financial institutions in Release 1 of CARM (ARL). The introduction of ePayment to CBSA commercial clients will provide an alternative to in-person payments at the bank, saving time and money for clients. CARM will further the invoicing and payment activity from ARL to include additional processes and sub-processes.

External Client View: In Release 1 of CARM (ARL) this capability replaces the existing daily and monthly statements with simplified electronic Daily Notices (DNs) and monthly Statements of Account (SOAs). Electronic DN and SOAs will be sent by EDI to account security holders. This capability will further the statement activities to include other transmission mechanisms, other statements and other recipient groups.

A.2.2 Client Identification

This component is comprised of capabilities that allow CBSA to identify who a client is, what they do, and how they interact with the Agency. It will include both inward facing functionality needed for CBSA users, as well as outward facing functionality that will allow clients to enroll in CBSA programs in a more centralized manner. The capabilities within this component are:

Business Number Standardization: The CBSA has initiated a voluntary process for businesses to provide Business Numbers (BN) to their commercial carrier, duty free shop and warehouse operator program accounts. The CBSA is rationalizing the current client information from the multiple program areas in order to amalgamate the information in order to provide better client service.

Registration and Enrollment (R&E) Services: This capability will deliver the services to enable commercial applicants to contact the CBSA to conduct business across the border by registering for Business Number (BN) and Revenue Management (RM) accounts and enrolling in their desired commercial programs. Prior to the completion of the registration and enrollment process, a review of the client's eligibility to enroll in commercial programs will be conducted.

R&E Workload and Document Management: This capability will replace the current workload and document management functions for the Registration and Enrollment business process. This initiative will leverage the enterprise level solution for workload and document management.

Integrated Client Profile: Using the Business Number at the legal entity level, the integrated client profile will provide a centralized and consolidated view of client tombstone information, accounting information and corresponding program accounts. This unique client account will allow the CBSA to identify who a client is, what they do, and how they interact with the Agency.

A.2.3 Assessment / Re-Assessment

This component includes business capabilities used for assessing and reassessing revenue transactions, including duties and taxes, penalties, interest charges, drawbacks, refunds, and remissions, as well as redress and recourse. The capabilities within this component are:

Common Assessment and Adjustment Engine: This capability will construct a foundational common assessment process, including the modernization of the processes for final accounting and related adjustments and reassessments for goods in the

commercial continuum (e.g., commercial transactions, casual refunds, duty deferral, remission orders, tariff rate quota, redress and recourse). This capability will capture, validate, and provide notification on accounting information for commercial goods, namely cash-entries and the accounting for goods release, as part of the Release Prior to Payment program. Also included will be the accounting documents for other release programs, automatic interest calculation, late-accounting penalties and a modernized tariff publishing and history system.

Import Accounting Simplification: This capability will conduct a review and analysis of the interim and final accounting business processes, assessing the feasibility of moving to a different accounting process. The analysis will take into consideration all of the potential policy impacts. This capability will also be responsible for implementing a simplified import process..

Support Travellers Assessment: The common assessment capability (see capability 5) will be made available, as required, to applications designed for travelers. Modernization of existing traveler applications and processes, and the creation of new applications for travelers, are not within CARM scope and will be the responsibility of the Traveler portfolio (e.g. TEPS, TRANDS).

A.2.4 Account Management Services

This component is comprised of multiple capabilities that will enable the transmission, capture, and validation of client accounting data, as well as the return of status notifications to the client via a portal or Electronic Data Interchange (EDI). It will provide clients with a suite of self-service capabilities to support and expedite the management of these accounts. The capabilities within this component are:

Pre-authorized Debits: This capability augments the CARM Release 1 (ARL) implementation of ePayments and enables pre-authorized debits. Payments will be credited against a CBSA client account balance.

Direct Deposit: This capability will develop the functionality for CBSA to process remittances by direct deposit.

Client and Account Profile Management: This capability will provide the CBSA with the ability to manage client files centrally and electronically, including tombstone information, transactional and trade-related actions.

CARM Portal and Online Client Services: This capability involves the configuration of the CARM portal. The purpose of the CARM portal is to display the client account information and links to financial institutions in order to support ePayments, as well as account updates, registration and enrollments, and direct deposits. Furthermore, this capability will improve the communication between the CBSA and its commercial clients by providing self-service offerings. Delivery will be phased-in and will include the ability to:

- Electronically submit accounting/trade data, requests for advance rulings, voluntary disclosure, and redress;
- Receive and view notices, bulletins, and submission statuses online;
- Generate customized reports on up-to-date balances, account activities, individual transactions, or full statements online;
- Manage account information online (e.g., change address, add or modify representatives); and
- Access functional guidance and support, such as relevant reference material, rulings, etc.

A.2.5 Trade Management Support Compliance and Reporting

This component is comprised of a series of capabilities and processes that will allow the CBSA to support ongoing trade practices and promote new commercial trade, as well as sustain and foster the development of trade agreements. The capabilities within this component are:

Trade Client Analytics and Reporting: This capability will provide the foundation to store trade data and client information centrally and provide the ability to generate comprehensive and audience-specific reports for internal and external clients. In addition, these data stores will enable sophisticated data mining analytics. Predictive analytics tools find patterns and outliers in historical data (e.g., raw trade data, such as import declarations and manifests, as well as customs data, such as audit reports and physical inspection results) that may represent a financial or economic risk.

Financial Security Program Modernization: This capability will investigate options to simplify the current Release Prior to Payment security deposit program. The work will include reviewing the necessity to maintain this program and opportunities for consolidation or elimination of the 14 existing security programs, based on the financial strength and compliance history of the client.

A.2.6 Workload Management

This component is comprised of multiple business capabilities that will allow the CBSA to better manage its workload, including the assignment of work based on risk assessment principles and other operational strategies to optimize efficiencies. The capabilities within this component are:

Trade Content and Knowledge Management: This capability will develop a set of processes and technologies that support the collection, management, publishing, and retrieval of information. This information repository will meet the requirements of both external and internal stakeholders.

Post Release Verification Modernization: This capability will identify the elements, processes and technologies needed to improve post-release verification audit efficiencies from within CBSA.

CARM Workflow and Case Management: This capability will involve the development of an automated workload / case management solution in order to assign and transfer work files between employees and / or work units.

Trade Risk Management Framework and Tools: This capability will provide the foundation to establish a robust trade risk management environment and tools to enable the CBSA to:

- Develop trade risk criteria and algorithms;
- Identify errors in interim and final accounting documentation that need to be corrected prior to post-verification audits;
- Leverage and cross-reference the information provided throughout the lifecycle of the declaration to better understand discrepancies that could be relevant from a financial or economic risk perspective; and
- Support the identification and targeting of post-verification audits in order to address non-compliance.

A.3 Project Objectives and Key Outcomes

A.3.1 Address Existing Accounting and Revenue Management Difficulties

CARM will address existing accounting revenue processing difficulties, improve internal controls and further automate revenue programs by:

- Re-engineering and streamlining manual revenue management processes;
- Integrating obsolete stand-alone systems and standardizing program functions to provide a fully integrated system that supports cost reductions for maintenance, support, development and training;
- Controlling client account information centrally and providing for credit / debit off-setting;
- Supporting client-based and accrual accounting;
- Providing modernized assessment and reassessment processes;
- Providing the ability to verify and reconcile all financial transactions; and
- Ensuring confidence in the confidentiality, integrity and availability of accounting and revenue reporting systems and information.

A.3.2 Develop New Automated Program Monitoring and Reporting Tool Sets

- CARM trade modernization will enable CBSA to implement automated program monitoring and reporting tools in support of more robust compliance and monitoring processes, and greatly assist in the identification of national trends;
- Enable a holistic view of a client's account activity by implementing an integrated and centralized tool set;

- Tool modernization will provide improved monitoring, reporting, audit control and Business Intelligence (BI) tools, as well as greatly improve document and workload management;
- Mitigate the risk of failure of legacy systems supporting critical business processes; and
- Minimize the level of manual effort required to maintain legacy systems and process paper based reports.

A.3.3 Enable CBSA to have more timely and accurate Trade Data

The trade modernization phase of CARM will reengineer processes and supporting technology, which will streamline CBSA's trade programs (tariff, origin, valuation, anti-dumping and countervailing). These efficiency improvements and Information Technology (IT) tools will enable CBSA to provide more complete, accurate and timely information. This trade data will cover goods imported into Canada, the assessment of those goods, and the resulting duties and taxes collected. This information will be used to calculate Canada's balance of trade and to establish trade and fiscal policies. Beneficiaries of this information are parliamentarians, Other Government Departments (OGDs), including Service Canada (SC) and the Department of Finance (DoF), and other national governments.

A.3.4 Improve Client Service

This will be accomplished by:

- Providing clients self-service options such as program registration and account management through an internet portal;
- Providing accessible, up-to-date and accurate statements of account that are client-based (as opposed to the current transaction-based) and include debit/credit offsets across the clients' transactions;
- Implementing electronic payment options; and
- Simplifying business processes to make interaction with the CBSA easier and more accessible.

A.3.5 Respond Effectively to Short Timeframes and Changing Requirements

The new technology based tools and revised processes will enable the CBSA to make needed changes to business rules supporting the assessment / reassessment processes and to implement new programs and legislation in a timelier manner.

Annex B

Proposed Procurement Approach

Industry Engagement Process

The Industry Engagement Process begins with the Industry Day and concludes when an official Invitation to Qualify (ITQ) or other competitive process is published on the Government Electronic Tendering Service (GETS), or when the Government of Canada (GoC) advises Participants that the Industry Engagement Process has concluded. The process may involve the following activities:

1. Initial contact with Industry through this Letter of Interest (LOI);
2. Industry Day;
3. Industry responses to the questions provided by CBSA;
4. One-On-One meetings with individual suppliers;
5. Industry comments on the Invitation to Qualify (ITQ) draft documents; and
6. If required, working Group Meetings (Collaborative refinement).

Participation in the Industry Engagement Process will be strictly reserved to registered individuals who sign and submit, to the PWGSC Contracting Authority named herein, the Terms and Conditions of the Industry Engagement Process, provided in Annex E to this notice.

Similarly, participation in this Process is not a condition or prerequisite for participation in any RFP(s). Industry representatives that do not participate in the Process or leave in the middle of the Process will remain eligible to submit a bid in response to any future ITQ or other competitive process relating to this requirement as defined in any future solicitation.

Phase 1 - Industry Day to be held on 28th of May 2015

The purpose of the Industry Day will be to present Industry representatives with information about the CARM Project, an overview of the current business process model, its future objectives for the business model, business issues, the proposed approach, the scope, the high-level requirements and more. The Industry Day is intended to be an open forum allowing Canada to communicate its requirements at a high level, and for Industry to ask questions and seek information in order to gain a sound understanding of the business needs of the GoC. Participation in Industry Day may be in person or via a simultaneous webex and teleconference.

Phase 2 – Important questions introduced during the Industry Day

CBSA will be introducing important questions during the Industry Day, which will then need to be answered prior to the One-on-One meetings taking place. Please note that following Industry Day, additional instructions on what will be requested from the interested respondents, prior to the One-on-One meetings, will be provided through an amendment to this LOI.

The proposed agenda for the Industry Day session will be:

**Note:* The material being presented on Industry Day is subject to change from the time of the posting of this notice. All times are Eastern Daylight Time (EDT).

Time	Presenter	Description
8:00		Registration
8:30	Moderator	Opening Remarks and Industry Day Objectives
8:40	Nada Semaan, Executive Vice-President, CBSA	Overview of the CBSA Transformation Agenda
9:00	Richard Wex, Vice-President, Programs Branch, CBSA	CARM Scope and Business Outcomes
9:30	Louis Paul Normand, Associate Vice-President, Information, Science and Technology Branch, CBSA	CARM Delivery Strategy and Requirements
10:30	Break	
10:45	Normand Masse, Director General, Acquisitions Branch, PWGSC	CARM Procurement Approach
11:10	Shane Parrish, Manager, Strategic Relationships Office, Cyber Security Partnerships, CSE	Supply Chain Assessment Process
11:30	Leadership Panel – All Speakers	Questions and Answers
11:55	Moderator	Recap and Closing Remarks

Material provided to attendees on Industry Day:

1. Agenda
2. Copies of presentation material

Phase 3 - One-On-One Industry Meetings

One-on-One meetings will take place subsequent to the Industry Day. As previously indicated, additional instructions explaining how the One-on-One industry meetings will be conducted will be provided through an amendment to this LOI.

Phase 4 – Industry comments on ITQ Draft documents

Industry consultation regarding the ITQ draft documents may also take place during the Engagement Process. Additional instructions explaining how this engagement phase would be conducted would be provided through an amendment to this LOI.

Phase 5 – If required, working Group Meetings (Collaborative refinement)

Industry may be invited to working group meetings comprised of representatives from industry and the GoC to discuss specific issues, solutions and to revise solicitation documents as required. More information will be made available if needed. The nature and content of this phase, if required, will be determined as the consultation process unfolds.

As stated in this notice, suppliers may contact the PWGSC Contract Authority at any point to initiate participation in the Industry Engagement Process. All industry participants will be required to sign the Terms and Conditions of the Industry Engagement Process found in Annex E. All industry consultation will be documented and this information is subject to Access to Information Act. PWGSC will not reveal any designated proprietary information to third parties, if identified as such by the participating member.

Annex C

Additional LOI Information/Instructions

C.1 Registration Process for Industry Day Meeting or WebEx Teleconference

Interested suppliers are encouraged to register for the Industry Day meeting or simultaneous WebEx and Teleconference prior to 19th of May 2015, by submitting, to the PWGSC Contracting Authority identified herein in section C.4, a signed copy of Annex E – Terms and Conditions of the Industry Engagement Process for each individual that chooses to participate.

C.2 Notes to Interested Suppliers

This is not a bid solicitation and a contract will not result from this request.

Potential respondents are advised that any information submitted to Canada in response to this Industry Engagement Process Notice may be used by Canada in the development of a subsequent competitive RFP. However, the Government is not bound to accept any Expression of Interest or to consider it further in any associated documents such as the ITQ or the RFP.

The issuance of this Industry Engagement Process Notice does not create an obligation for Canada to issue a subsequent RFP, and does not bind Canada legally or otherwise, to enter into any agreement or to accept any suggestions from organizations. Canada reserves the right to accept or reject any or all comments received.

Participation in this Industry Engagement Process is not a condition or prerequisite for participation in any RFP(s).

Suppliers participating in this Industry Engagement Process should identify any submitted information that is to be considered as either supplier confidential or proprietary.

Media may not participate in the Industry Day, One-on-One meetings or any working group sessions.

Recording of the Industry Day or any broadcasted portion of it is not permitted.

A third-party Fairness Monitor will participate in the entire procurement process.

All enquiries and other communications related to this Industry Engagement Process shall be directed exclusively to the PWGSC Contracting Authority by email. Suppliers that intend on participating in this Industry Engagement Process are asked to advise the Contracting Authority of their intention to participate, in order that they may be notified of any changes to the notice on GETS, which may occur during the posting period.

Canada will not reimburse any expenses incurred in attending or participating in any part of this Industry Engagement Process activity.

C.3 Communication with Industry

Canada will document all Industry concerns/issues, questions, suggestions, and our responses. During the Industry Engagement Process, the PWGSC Contracting Authority may choose to communicate with registered Industry participants through direct email rather than posting

additional notices on Government Electronic Tendering Service. To ensure fairness, transparency, integrity of the process, PWGSC will share information resulting from the process with Industry (excluding proprietary and/or confidential information).

C.4 PWGSC Contracting Authority

Marc Aubin

Supply Team Leader

Public Works and Government Services Canada

Acquisitions Branch

11 Laurier Street, Gatineau, Quebec, K1A 0S5

Telephone: 819-934-1436

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C.5 Conflict of Interest

The Conflict of Interest clause is presently under development and will be made available once it's completed.

C.6 Security Requirement

Security requirements are presently under development and will be made available once they are determined.

Annex D

Industry Day or WebEx Teleconference Registration Information

LOI release: **7th of May 2015**

Registration Deadline: **19th of May 2015**

Industry Day: **28th May 2015**

Registration to the Industry Day must be done through the Contract Authority at (marc.a.aubin@tpsgc-pwgsc.gc.ca) and must include the following information:

- Number of people to attend the Industry Day (Up to 3 participants from each supplier may participate at the Industry Day);
- Name and title of each participant;
- One contact person's email and phone number
- A signed copy of Annex E.

Interested participants must register for the WebEx Teleconference, no later than 4:00p.m. on 19 May 2015, by providing the following information to (marc.a.aubin@tpsgc-pwgsc.gc.ca).

Each supplier may only register up to 2 participants for the WebEx Teleconference. The supplier must supply the following information:

- legal corporate name of organization/supplier;
- one corporate e-mail address for all communication;
- name(s) of the participant(s) (a maximum of 2 participants per supplier may stream the WebEx Teleconference through their computers and call into the teleconference to participate. There is no limit to the number of participants who may attend in the same room to view and listen to the session);
- e-mail address of the participant, where the WebEx and teleconference links are to be sent; and
- Supplier's area of expertise.

By providing the information above, each party acknowledges and consents to the release of this information to the public, which may include any resulting recordings such as, but not limited to, presentations, questions, answers, names of suppliers, names of participants and more during the WebEx Teleconference.

Login links should not be shared or re-used. Suppliers/participants are encouraged to make use of their in-house meeting rooms to accommodate teams. Suppliers that require more than two login links to accommodate multiple remote locations must make their request prior to 19 May 2015. Requests will be handled on a first-come, first-served basis subject to capacity. Canada is not responsible for participants' access to the Internet and/or the quality of their access to the Internet, including all local service issues and outages. Suppliers are not permitted to record the Webex Teleconference.

Changes to registration requests (for both the Industry Day and the WebEx Teleconference) can be made by sending a request to (marc.a.aubin@tpsgc-pwgsc.gc.ca) no later than 4:00 p.m. EDT on 19 May 2015; this includes substitutions of registrants(s) with other person(s).

This event is open to all industry suppliers. The event is not open to media representatives. All media enquiries should be directed to PWGSC Media Relations Office at 819-956-2315.

Confirmation: PWGSC will send an e-mail confirmation upon receipt of registration.

Applicants should be aware that PWGSC will publish, via www.buyandsell.gc.ca, the list of suppliers that registered and also attended the Industry Day and the WebEx Teleconference.

Annex E

Terms and Conditions of Industry Engagement Process (Mandatory Form)

An overriding principle of the Industry Engagement Process is that it be conducted with the utmost fairness and equity between all parties. No one person or organization must receive nor be perceived to have received any unusual or unfair advantage over the others.

All industry representatives that wish to be considered as a participant to this industry consultation process must review and sign this document. By signing this document, which is legally binding, participants agree to abide by the Rules of Engagement (ROE) contained therein. These will apply to all participants following the signature of this document and will remain in effect until the release of the Request for Proposal (RFP). All of Canada's documentation provided throughout this industry consultative process will be provided to all participants.

The consultative process will consist of industry consultation session(s), industry One-on-One meeting(s), working group session(s) and any other process(es) deemed necessary by the contracting authority as indicated in the LOI.

Any suggestions, ideas or issues brought to Canada's attention through supplier's responses or during the One-on-One sessions will be reviewed by Canada for further consideration and might be raised in subsequent working group(s). Participants must formally indicate/identify in writing any proprietary information. Canada will not disclose proprietary or commercially sensitive information concerning a participant to other participant(s) or third parties except and only to the extent required by the *Access to Information Act*.

TERMS AND CONDITIONS

The following terms and conditions apply to the Industry Engagement Process. In order to encourage open dialogue, Participants agree:

- To discuss their views concerning the CARM Project and to provide positive resolutions to the issues in question. Everyone shall have equal opportunity to share their ideas and suggestions;
- To allow the Government of Canada (GoC) to record and/or make notes during the One-on-One sessions and/or working group sessions;
- That Media cannot participate in the industry consultation session(s), One-on-One meeting(s) or the working group session(s);
- NOT to reveal or discuss any information to the MEDIA/NEWSPAPER regarding the CARM Project during this Industry Engagement Process. Any media questions will be directed to the PWGSC Media Relations Office at 819-956-2315;
- To direct enquiries and comments only to the Contracting Authority. Any communication to unauthorized representatives of Canada may also be subject to full disclosure by Canada on BuyandSell website;

- That the GoC is not obligated to issue any Invitation to Qualify (ITQ) or Request for Proposal (RFP), or to award any Contract for the CARM Project;
- That the GoC retains absolute discretion over the terms and conditions of the ITQ and RFP, if they are released;
- That the GoC will not reimburse any person or entity for any cost incurred in participating in this Industry Engagement Process;
- To direct all enquiries with regard to the procurement of the solution to the Contracting Authority;
- That participation is not a mandatory requirement. Not participating in this Industry Engagement Process will not preclude a supplier from submitting a bid;
- That a Draft RFP may be posted on GETS for industry comment;
- That failure to agree to and to sign the Terms and Conditions will result in the exclusion from the Industry Engagement Process;
- That any information submitted to the GoC as part of this Industry Engagement Process may be used by the GoC in the development of a subsequent competitive RFP. However, the Government is not bound to accept any expression of interest or to consider it further in any associated documents such as the ITQ or the RFP;
- That the GoC may disclose the names of Participating Suppliers that choose to participate in the Industry Engagement Process;
- That other Participants may join the Industry Engagement Process at any time in the process; and,
- That a dispute resolution process to manage impasses throughout this Industry Engagement Process shall be adhered to as follows:

Dispute Resolution Process

1. By informal discussion and good faith negotiation, each of the parties shall make all reasonable efforts to resolve any dispute, controversy or claim arising out of or in any way connected to this Industry Engagement Process.
2. Any dispute between parties of any nature arising out of or in connection with this Industry Engagement Process shall be resolved by the following process:
 - a. Any such dispute shall first be referred to the Participating Supplier's Representative and the PWGSC Manager managing the Industry Engagement Process. The parties will have three (3) business days in which to attempt to resolve the dispute;

- b. In the event the representatives of the parties specified in Article 2.a. above are unable to resolve the dispute, it shall be referred to the Participating Supplier's Director (or its equivalent) and the PWGSC Director General of the Directorate responsible for managing the Industry Engagement Process. The parties will have three (3) business days to attempt to resolve the dispute;
- c. In the event the representatives of the Parties specified in Article 2.b. above are unable to resolve the dispute, it shall be referred to the Participating Supplier's Chief Executive Officer and the PWGSC Assistant Deputy Minister of the Sector responsible for managing the Industry Engagement Process, who will have five (5) business days to attempt to resolve the dispute; and,
- d. In the event the representatives of the Parties specified in Article 2.c. above are unable to resolve the dispute, the Contracting Authority shall within five (5) business days render a written decision which shall include a detailed description of the dispute and the reasons supporting the Contracting Authority's decision. The Contracting Authority shall deliver a signed copy thereof to the Participating Supplier.

By signing this document, the individual represents that he/she has full authority to bind the Participating Supplier listed below and that the individual and the supplier agrees to be bound by all the terms and conditions contained herein.

**Name of
Participating
Supplier:**

**Name of Individual
& Signature:**

Telephone:

E-mail:

Glossary

The Canada Border Services Agency Accounting and Revenue Management (CARM) system is a major IT-enabled business transformation that modernizes our revenue management and trade programs and systems, as well as automates many of the current manual processes required to collect, assess, manage and report on these revenues. The project touches on numerous core business functions, processes and systems – within CBSA, and with our trade and delivery partners. The CARM project presents a tremendous opportunity to fundamentally rethink how these programs and processes are delivered.

Fairness Monitor and Fairness Monitoring Program

The Fairness Monitoring (FM) Program within PWGSC provides management, client departments, government suppliers, Parliament and Canadians with independent assurance that Public Works and Government Services Canada's (PWGSC) activities are conducted in a fair, open and transparent manner. Independent third-party fairness monitors observe all or part of a departmental activity. Based on their observations, they provide an impartial opinion on the fairness of the monitored activity. The program helps PWGSC protect the interests of its clients, and Canadian taxpayers by identifying and resolving fairness issues as they arise. Dealing with any issues early makes the process fairer, and avoids possible costly after-the-fact resolutions.

Industry Engagement Process

Establishing an early and ongoing dialogue between industry, client departments, and PWGSC throughout the procurement process. Its goal is to mitigate risk, identify innovative solutions and enhances competition by working to connect buyers and suppliers early on.

Commodities

Raw materials, perishable goods, fabricated articles, items of production or supply utilized in everyday endeavors, and which are identified by contents, physical nature or characteristics.

Government Electronic Tendering Service (GETS)

The service used by the Canadian federal government to make available notices and solicitation documents, as well as to meet trade agreement obligations. It is provided through buyandsell.gc.ca/tender as the authoritative and primary source for Government of Canada tenders.

Invitation to Qualify (ITQ)

It's neither a Request for Proposal (RFP) nor a solicitation of bids or tenders, it's intended only to pre-qualify suppliers. The objective of the ITQ is to qualify suppliers who have demonstrated and proven skills and experience to deliver the requested solution.

Letter of Interest (LOI)

A Letter of Interest is not open for bidding. The Contracting Officer is interested in receiving feedback from suppliers and may re-open or re-issue an opportunity as an open tender at a later day. LOIs may include attached documents.

Request for Proposal (RFP)

A form of bid solicitation used for complex requirements, where the selection of a supplier cannot be made solely on the basis of the lowest price. It outlines evaluation criteria which are used to select the most cost-effective solution.

Review and Refine Requirement (RRR)

Successful respondents to the ITQ stage will work jointly with Canada to review and finalize the technical and solicitation requirements. The results will be used to finalize the formal Request for Proposal (RFP) document(s).

Smart Procurement

The four elements of Smart Procurement approach are:

- Early Engagement;
- Effective Governance;
- Independent Advice; and
- Benefits for Canadians.

When put together, these four elements help Canada achieve their goals of improving its services and providing positive outcomes for Canadians.

Statement of Work (SoW)

A clear, concise, and comprehensive description of the work, deliverables, and/or services required to fulfill the contract. It is included in the resulting contract.