



## ADVANCE CONTRACT AWARD NOTICE (ACAN)

### 1. Title

Development of International Rare Earth Element Standards

### 2. Definition

An Advance Contract Award Notice (ACAN) allows departments and agencies to post a notice, for no less than fifteen (15) calendar days, indicating to the supplier community that it intends to award a good, service or construction contract to a pre-identified contractor. If no other supplier submits, on or before the closing date, a Statement of Capabilities that meets the requirements set out in the ACAN, the competitive requirements of the government's contracting policy have been met. Following notification to suppliers not successful in demonstrating that their Statement of Capabilities meets the requirements set out in the ACAN, the contract may then be awarded using the Treasury Board's electronic bidding authorities.

If other potential suppliers submit Statement of Capabilities during the fifteen calendar day posting period, and meet the requirements set out in the ACAN, the department or agency must proceed to a full tendering process on either the government's electronic tendering service or through traditional means, in order to award the contract.

### 3. Background

In recent years, a steady, reliable, and secure supply of critical metals have become increasingly important to major industrialized economies that seek to sustain their industrial base and develop advanced technologies, such as clean energy. Canada, with its significant critical metal reserves, has an opportunity to supply some of the global demand for these metals. To transition from promising mineral deposits to marketable products, investment in fundamental research & development are needed to address the complex technological challenges around the production, separation and processing of critical metals, and to better understand the global market for these key commodities.

Rare earth elements (REE) represent an opportunity for Canada to enter an emerging and globally strategic market. However, the metallurgy for Canadian ores containing REE involves a complex sequence of individual separation, refinement, alloying and formation stages before they can be used in the production of permanent magnets, consumer electronics and other high value-added high-tech products.

Natural Resources Canada is undertaking a significant effort to support the development of rare earth elements and chromite in order to maximize Canadian value and benefits from these deposits. As part of this effort, Canada is embarking on a leadership role in developing international standards specific in the area of rare earth elements, through the International Organization for Standardization (ISO). Supporting this effort will help ensure that Canada maintains its place as a global leader in the Rare Earths sector, and that Canadian norms, practices, and experiences are recognized and accepted in international standards that can be adopted into the Canada, or used by Canadian companies in international markets.

Based on a submission by China, the formation of ISO TC/298 was recently approved by ISO. As a result, the international community is coming together under ISO TC/298 to develop standards for the full lifecycle of rare earths production. There are currently 7 participating countries that are voting members of ISO TC/298. There are also 22 observing countries that could become participating countries at any time.

The participating countries include:

- China (project Chair and Secretariat)
- Australia
- Canada
- India
- Japan
- Korea, Republic of
- United States



On behalf of the Standards Council of Canada, CSA Group is managing and supporting the new Canadian Mirror Committee of Canadian stakeholders that is responsible for leading Canadian participation in the development of the ISO standards, and their adoption into Canada as appropriate. The Canadian Mirror Committee is composed of technical experts from industry, government, academia, and the consulting sector and will lead the participation of Canadian stakeholders in the development of international Rare Earths standards and will review their appropriateness for adoption as appropriate into Canada as Canadian National Standards.. The scope of ISO TC/298 includes standardization in the field of rare earth ores, concentrates, metals, alloys, compounds, materials, including the reuse and recycling of waste rare earth products. The work will be executed in coordination with any relevant ISO/TC 298 working groups. This activity will advance Canada’s interests in the Rare Earth’s sector by helping to ensure Canadian norms, practices, and experiences are recognized, accepted and incorporated into newly developed international standards. This will facilitate the adoption of internationally accepted standards for use locally in Canada and other markets that are trusted by regulators and industry alike, and will assist to reduce barriers to international trade.

**4. Objectives**

The objective of this work is to engage the CSA Group to manage the Canadian Mirror Committee to ISO TC/298 in the development of ISO standards and the adoption process into Canada’s national standards system.

**5. Project Requirements**

**5.1 Tasks, Deliverables, Milestones and Schedule**

**Tasks & Deliverables**

The contractor will manage all aspects of the Canadian engagement in the Mirror Committee to ISO TC/298, including logistics and administration, project management and scheduling, procedural guidance, liaison activities, Chair and Member support, Member recruitment and training, managing the adoption process, review processes, and communications support.

The contractor will also ensure:

- Balanced representation on the technical committee
- Quarterly Mirror Committee teleconferences are held
- Executive Committee teleconferences are held (as necessary)
- Curated online web space for members to access files is available
- Adoption of published ISO Standards in Canada as appropriate
- Canadian Mirror Committee responses to ISO ballots

Task	Dates
Initial Meeting(deliverable #1)	Within 5 working days of Contract Award Date (CAD).
Draft Report (deliverable #2)	March 17, 2017
Final report (deliverable #3)	March 31, 2017.

**5.2 Specifications and Standards**

- Conformity of all documentation to ISO

**5.3 Technical, Operational and Organizational Environment**

This work is expected to be completed at the Contractor’s place of business.



#### 5.4 Contractor's Responsibilities

In addition to the obligations outlined above, the Contractor shall:

- keep all documents and proprietary information confidential;
- return all materials belonging to NRCAN upon completion of the Contract;
- submit all written reports in hard copy and electronic Microsoft Office Word or Corel WordPerfect format;
- attend meeting with stakeholders, if necessary;
- participate in teleconferences, as needed;
- attend meeting at NRCAN sites, if required; and/or,
- maintain all documentation in a secure area.

#### 6. Trade Agreements

##### **Applicable Limited Tendering Provision under NAFTA (Article 1016.2)**

1016.2(b) - where, for works of art, or for reasons connected with the protection of patents, copyrights or other exclusive rights, or proprietary information or where there is an absence of competition for technical reasons, the goods or services can be supplied only by a particular supplier and no reasonable alternative or substitute exists;

1016.2(d) - for additional deliveries by the original supplier that are intended either as replacement parts or continuing services for existing supplies, services or installations, or as the extension of existing supplies, services or installations, where a change of supplier would compel the entity to procure equipment or services not meeting requirements of interchangeability with already existing equipment or services, including software to the extent that the initial procurement of the software was covered by this Chapter;

##### **Applicable Limited Tendering Provision under Canada-Chile (Article Kbis-09)**

Kbis-09 (b) - where, for works of art, or for reasons connected with the protection of patents, copyrights or other exclusive rights, or proprietary information or where there is an absence of competition for technical reasons, the goods or services can be supplied only by a particular supplier and no reasonable alternative or substitute exists;

Kbis-09 (c) - for additional deliveries by the original supplier that are intended either as replacement parts, extensions, or continuing services for existing equipment, software, services or installations, where a change of supplier would compel the entity to procure goods or services not meeting requirements of interchangeability with existing equipment, software, services, or installations;

##### **Applicable Limited Tendering Provision under Canada-Colombia (Article 1409)**

1409 (b) where the goods or services can be supplied only by a particular supplier and no reasonable alternative or substitute goods or services exist for any of the following reasons:

- (i) the requirement is for a work of art,
- (ii) the protection of patents, copyrights or other exclusive rights, or
- (iii) due to an absence of competition for technical reasons;

##### **Applicable Limited Tendering Provision under Canada-Honduras (Article 17.11)**

2 (b) a good or service being procured can be supplied only by a particular supplier and a reasonable alternative or substitute does not exist because:

- (i) the good or service is a work of art,



- (ii) the good or service is protected by a patent, copyright or other exclusive intellectual property right, or
- (iii) there is an absence of competition for technical reasons;

**Applicable Limited Tendering Provision under Canada-Panama (Article 16.10)**

16.10 (b) the procurement can be carried out only by a particular supplier and a reasonable alternative or substitute does not exist because:

- (i) the requirement is for a work of art,
- (ii) a good or service being procured is protected by a patent, copyright or another exclusive right, or
- (iii) of the absence of competition for technical reasons;

**Applicable Limited Tendering Provision under Canada-Korea (Article XV.1)**

XV.1(a) – protection of exclusive rights, such as patents or copyrights, or in the absence of competition for technical reasons, the products or services can be supplied only by a particular supplier and no reasonable alternative or substitute exists

**Applicable Limited Tendering Provision under AIT (Article 506.12)**

506.12(b) - where there is an absence of competition for technical reasons and the goods or services can be supplied only by a particular supplier and no alternative or substitute exists; (CAP code 71)

**Applicable Limited Tendering Provision under Canada-Peru Free Trade Agreement (Article 1409)**

1 (b) - where the goods or services can be supplied only by a particular supplier and no reasonable alternative or substitute goods or services exist for any of the following reasons:

- (i) the requirement is for a work of art,
- (ii) the protection of patents, copyrights or other exclusive rights, or
- (iii) due to an absence of competition for technical reasons;

**7. Title to Intellectual property**

Natural Resources Canada has determined that any intellectual property rights arising from the performance of the Work under the resulting contract will belong to Canada, on the following grounds:

- to generate knowledge and information for public dissemination.

**8. Contract Period**

The contract period shall be from date of award of contract to March 31, 2021.

**9. Estimated Cost**

The estimated maximum value of the contract is between \$165,000.00 to \$170,000.00 CAD, including all applicable taxes.

**10. Exception to the Government Contracts Regulations and applicable trade agreements**

Sole Source Justification - Exception of the Government Contract Regulations (GCR):

- (d) Only one person or firm is capable of performing the contract

The contractor must:



- 1) Possess the harmonized agreements with the Standard Council of Canada for working in ISO and IEC international standards;
- 2) Be able to demonstrate the ability to manage the activities of the harmonized Canadian Rare Earths SMC/TC that is responsible for the preparation of Canadian and International rare earth standards; and
- 3) Be accredited as a standards development organization by the Standard Council of Canada.
- 4) Possess a harmonization agreement with the Standards Council of Canada to manage the activities of the harmonized Canadian Rare Earths SMC/TC that is responsible for the preparation of Canadian and International rare earths standards.

CSA Group is the only provider that can meet all of the criteria above as well as the project requirements in paragraph 5.1 to 5.4.

**11. Name and Address of the Proposed Contractor**

**CSA Group**

PO BOX 1924 STN A  
TORONTO, ON  
M5W 1W9

**12. Inquiries on Submission of Statement of Capabilities**

Suppliers who consider themselves fully qualified and available to provide the services/goods described herein, may submit a Statement of Capabilities in writing, preferably by e-mail, to the contact person identified in this Notice on or before the closing date and time of this Notice. The Statement of Capabilities must clearly demonstrate how the supplier meets the advertised requirements.

**13. Closing Date**

Closing Date: 30 January 2017  
Closing Time: 4:00 p.m. EDT

**14. Contract Authority**

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