



**RETURN BIDS TO:
RETOURNER LES SOUMISSIONS À:**

Bid Receiving
PWGSC
33 City Centre Drive
Suite 480C
Mississauga
Ontario
L5B 2N5
Bid Fax: (905) 615-2095

**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
Public Works and Government Services Canada
Ontario Region
33 City Centre Drive
Suite 480
Mississauga
Ontario
L5B 2N5

Title - Sujet National Food and Beverage Strategy	
Solicitation No. - N° de l'invitation E6TOR-17RM10/A	Date 2018-01-17
Client Reference No. - N° de référence du client E6TOR-17RM10	GETS Ref. No. - N° de réf. de SEAG PW-\$TOR-031-7471
File No. - N° de dossier TOR-7-40136 (031)	CCC No./N° CCC - FMS No./N° VME
Solicitation Closes - L'invitation prend fin at - à 02:00 PM on - le 2018-03-07	
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: Schmidt, Jeff	Buyer Id - Id de l'acheteur tor031
Telephone No. - N° de téléphone (905) 615-2058 ()	FAX No. - N° de FAX () -
Destination - of Goods, Services, and Construction: Destination - des biens, services et construction:	

Instructions: See Herein

Instructions: Voir aux présentes

Delivery Required - Livraison exigée	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



National Food and Beverage Procurement Strategy Request for Information (RFI)

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REQUEST FOR INFORMATION (RFI)

National Food and Beverage Procurement Strategy Update

1. Purpose and Nature of the Request for Information (RFI)

Public Services and Procurement Canada (PSPC), on behalf of all federal departments and agencies, is launching a national consultative process in order to seek feedback from suppliers and industry with regards to the National Food and Beverage Procurement Strategy (NFBPS) update. The first phase of the consultative process is the posting of a Request for Information (RFI) to introduce the draft strategy update.

The objectives of this RFI are to:

- a) initiate discussions with industry on the procurement of all food and beverage products purchased by the Government of Canada;
- b) receive industry feedback through an online survey, industry day and one-on-one meetings with federal departments, PSPC and industry;
- c) obtain supplier feedback on any issues that would impact their ability to bid on the resulting solicitation and/or deliver on the requirements;
- d) gather industry knowledge, expertise and recommendations with regard to best practices that would increase the success of the food and beverage strategy and/or identify any risks that would impact the food and beverage strategy;
- e) promoting PSPC's future e-procurement solution
- f) advise industry to on PSPC's consolidation of procurement vehicles from individual departmental requirements (Regional Individual Standing Offers (RISO)) to multi-departmental requirements or Regional Master Standing Offers (RMSO);
- g) to promote PSPCs standardized bid evaluation methods through the Bid Evaluation Tool.

Note to suppliers:

This RFI is neither a call for tender nor a Request for Standing Offers (RFSO). No agreement or contract will be entered into based on this RFI. The issuance of this RFI is not to be considered in any way a commitment by the Government of Canada, nor as authority to potential respondents to undertake any work that could be charged to Canada. This RFI is not to be considered as a commitment to issue a subsequent solicitation or award contract(s) for the work described herein.

Although the information collected may be provided as commercial-in-confidence (and, if identified as such, will be treated accordingly by Canada), Canada may use the information to assist in drafting performance specifications (which are subject to change) and for budgetary purposes.

Respondents are encouraged to identify, in the information they share with Canada, any information that they feel is proprietary, third party or personal information. Please note that Canada may be obligated by law (e.g. in response to a request under the Access of Information and Privacy Act) to disclose proprietary or commercially-sensitive information concerning a respondent (for more information: <http://laws-lois.justice.gc.ca/eng/acts/a-1/>).

Participation in this RFI is encouraged, but is not mandatory. There will be no short-listing of potential suppliers for the purposes of undertaking any future work as a result of this RFI. Similarly, participation in this RFI is not a condition or prerequisite for the participation in any potential subsequent solicitation.

Respondents will not be reimbursed for any cost incurred by participating in this RFI.

The RFI closing date published herein is not the deadline for comments or input. Comments and input will be accepted any time up to the time a follow-on solicitation is published.

2. Background Information

In 2014, Public Services and Procurement Canada (PSPC) performed a review of how it purchased food and beverages on behalf of government departments. The review identified inconsistencies in pricing periods, supplier selection, price validation, procurement instruments, product groupings and item definition and identified opportunities for improvement. The goal of the approach was to ensure consistency in meeting Government of Canada food and beverage requirements, while enhancing access for suppliers and increasing value to Canadian taxpayers.

In 2017, PSPC has undergone another review to incorporate PSPC regional and federal departmental feedback and updated the strategy to better reflect current food and beverage procurement practices.

The revised goals of the NFBPS are:

- more consistent procurement process for government departments while satisfying their operational needs;
- greater consistency in procurement processes for suppliers by using Request for Information (RFI) postings prior to the release of regional consolidated commodity postings (Regional Master Standing Offers);
- greater transparency in food and beverage procurement by using the Government of Canada's Electronic Tendering System (GETS) also known as Buy & Sell (www.buyandsell.gc.ca);
- increased value to taxpayers;
- enhanced access for suppliers;
- Green procurement initiatives;
- align the commodity for PSPC's future e-procurement solution;
- the consolidation of procurement vehicles from individual departmental requirements (Regional Individual Standing Offers (RISO)) to multi-departmental requirements or Regional Master Standing Offers (RMSO) ;
- use of postal codes as delivery points;
- introduce the possibility of using credit card as the method of procurement under food and beverages standing offers;
- utilizing Canada Post's ePost Connect (electronic bid receipt) as an interim electronic method for bid receipt; and
- to promote PSPCs standardized bid evaluation methods through the Bid Evaluation Tool.

Based on a three-year average, FY 2014/15 – FY 2016/17, annual expenditures associated with contracts and standing offers for food and beverage are estimated to be \$97 million of which the three major government departments, the Department of National Defence, Correctional Services Canada and Fisheries and Oceans Canada average is \$73 million. This figure is taken from the Spend Cube, a procurement reporting and spend analysis tool that captures the Government of Canada spend.

Canada is now seeking input and responses to specific questions found [here](#) from industry and suppliers on identified issues of consistency, process and outcomes as well as identified areas of opportunity that should produce better outcomes for client departments, suppliers, potential suppliers and Canadians.

In addition to the electronic survey, respondents are invited to provide comments to this RFI by contacting the Contracting Authority by email or to participate in one-on-one meetings identified in Section 6.1, Industry Engagement. Respondents should explain any assumptions they make in their interpretation of the requirements.

3. Legislation, Trade Agreements, and Government Policies

The following is indicative of some of the legislation, trade agreements and government policies that could impact any follow-on solicitation(s):

- a) Canadian Free Trade Agreement (CFTA);
- b) North American Free Trade Agreement (NAFTA);
- c) World Trade Organization – Agreements on Government Procurement (WTO-GPA);
- d) Comprehensive Economic and Trade Agreement (CETA);
- e) Federal Contractors Program for Employment Equity (FCP-EE);
- f) Government Contracting Regulations (GCRs);
- g) Financial Administration Act (FAA);
- h) Official Languages Act;
- i) Access to Information Act;
- j) DND Food Quality Specifications;

4. Strategy Scope

The scope of the NGSPS for Food and Beverage is federally-funded food and beverage purchases in Canada by PSPC on behalf of government departments in Canada, (such as, the Department of National Defence and the Correctional Service of Canada). This strategy defines common federal procurement strategies to be used by PSPC and other departments who purchase food and beverages. The strategy has been in effect from June 2014 and includes all food and beverage purchases in Canada.

The following sub-categories or cases are not specifically addressed within the current document because they are either covered under other government policies or other national strategies:

- Hospitality Services
- Meals for persons travelling on government business
- Humanitarian aid, disaster relief or emergencies
- Comprehensive Land Claim Areas (CLCA) / Procurement Strategy for Aboriginal Businesses (PSAB)

5. Contents of this RFI

This RFI includes the following documents:

- National Goods and Services Strategy for Food and Beverage;
- Industry Questions located at the following link:
https://surveys.qualtrics.com/jfe/form/SV_eajOnCcBoc9HwZD
- Sample Food Evaluation Tool (Excel attachment).

6. Industry Engagement Process

6.1 Industry Engagement

The Industry Engagement Process (“Process”) begins with the initial Request for Information and concludes when the revised NGSPS for Food and Beverage is published on Buy and Sell, or when the Government of Canada (GC) advises Participants that the Process has concluded. The Process will involve the following activities:

1. Request for Information (RFI);
2. Industry Day (including Web Conference Meeting);

-
3. One-On-One meetings with individual suppliers (including Web Conference or Teleconference Meeting);

Phase 1 - Initial Contact with Industry - RFI

This RFI is posted on Buy and Sell to seek interest from companies in participating in the Process. It will be the chance for Industry to share with PSPC, information on the current marketplace, available technologies and supplier capabilities.

Phase 2 - Industry Day Session

The purpose of the Industry Day is to present Industry representatives with information about the National Food and Beverage Procurement Strategy, an overview of the current status, and the objectives for the consultative process. The Industry Day session will be in-person at the PSPC Regional Headquarters in Toronto, ON. Due to the geographic distribution of different suppliers, a Web Conference Meeting (WebEx) will be set up should some suppliers be unable to attend in person. It is intended to be an open forum allowing GC 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 GC.

Industry is invited to tell us what they would like to hear from us when they register to the Industry Day session. GC will do its best to reflect your requests in the agenda. Multiple Industry Day Sessions might be arranged based on the information acquired from Industry.

The proposed agenda for the Industry Day session will be:

1. Opening Remarks;
2. Procurement Process – Engagement Approach;
3. Strategic Overview of the National Goods and Services Procurement Strategy Food and Beverage;
4. Next Steps;
5. Questions/Answers Period.

Material provided to attendees on Industry Day:

- Agenda

Material provided to attendees after Industry Day:

- Copies of presentation material (after presentation)

Phase 3 - One-on-One Industry Meetings

One-on-one meetings will take place subsequent to the Industry Day. It is anticipated that Industry participants will be requested to provide to the Contracting Authority short written answers (short paragraphs or bullet points) to the RFI questionnaire or issues/concerns not included in the RFI posting. Although the intent is to arrange an in-person meeting, GC will also arrange Web Conference or Teleconference meetings to accommodate suppliers if required.

Phase 4 – Revised National Goods and Services Procurement Strategy Food and Beverage

As a result of the various industry engagement activities, Public Services and Procurement Canada may adjust the strategy to incorporate industry best practices while meeting Government of Canada policies and the operational requirements of various federal Government Departments. The revised NFBPS will be issued on Buy and Sell under the same Request for Information no.

6.2 Registration Process for Industry Day & One-on-One meetings

Interested suppliers are encouraged to register for the *Industry Day* and *One-on-One meetings* prior to **8am EST (Eastern Standard Time) February 20, 2018**, by submitting, to the PSPC Contracting Authority identified herein, a signed copy of *Annex C – Engagement Rules* for each individual that chooses to participate.

At the time of registration, Participating Suppliers may submit a first and second preferred dates and times for the one-on-one meeting, which the GC will do its best to accommodate. Industry representatives traveling from far distances will be given priority to have their One-on-One meeting held the earliest day possible during the period from February 27 to 28, 2018. See *Annex C – Industry Day and One-on-One Meetings Schedule* for details. Participating Suppliers will be contacted by the GC representative, prior to the Industry Day, with:

1. Details for the Industry Day in the Ontario Region (Toronto, Ontario) or instructions regarding the Web Conference Meeting; and
2. The date, time and detail of their one-on-one meeting.

6.3 Information Prior to Industry Day

Suppliers may provide comments, questions or proposed topics for discussion for the Industry Day or one-on-one meetings by submitting their information to the Contracting Authority no later than **8 am EST (Eastern Standard Time) February 20, 2018**.

7. Communication with Industry

Canada will document all Industry concerns/issues, questions, suggestions, together with their responses. During the *Process*, the PSPC Contracting Authority may choose to communicate with registered Industry participants through direct email. To ensure the fairness, transparency and integrity of the *Process*, PSPC will share a Question and Answer document posted on Buy and Sell with information resulting from the *Process* (excluding proprietary and/or confidential information) with the Industry.

8. How to respond:

Changes to the RFI may occur and will be advertised on Buy and Sell (Government Electronic Tendering System).

Interested respondents may submit their responses to the PSPC Contracting Authority, identified below:

Name: Jeff Schmidt
Title: Supply Specialist
Public Services and Procurement Canada
Acquisitions Directorate
Address: 33 Centre Drive
Mississauga, ON L5B 2N5
Telephone: 905-615-2058
E-mail address: jeff.schmidt@pwgsc-tpsgc.gc.ca

9. Submission Deadline for the RFI:

Responses to this RFI are to be submitted to the PSPC Contracting Authority identified above, on or before March 7, 2018 at 2:00 pm.

10. Treatment of Responses

Responses will not be formally evaluated. However, the responses received may be used by Canada to develop or modify the NFBPS. Canada will review all responses received by the RFI closing date. Canada may, in its discretion, review responses received after the RFI closing date.

Review Team. A review team composed of representatives of Canada will review the responses. Canada reserves the right to hire any independent consultant, or use any Government resources that it considers necessary to review any response. Not all members of the review team will necessarily review all responses.

Confidentiality. Respondents should mark any portions of their response that they consider proprietary or confidential. Canada will handle the responses in accordance with the Access to Information Act.



ANNEX A
NATIONAL FOOD AND BEVERAGE PROCUREMENT STRATEGY

See the attached document below.

ANNEX B

INDUSTRY DAY AND ONE-ON-ONE MEETINGS SCHEDULE

Request for Information release: January 19, 2018

Registration Deadline: February 20, 2018

Industry Day: February 27, 2018

One-on-one meetings: February 27 to 28, 2018 (*business days only*)

GC appreciates your time to meet with us and to engage in this process and we would like to provide you with enough time during your one-on-one meetings by offering you variable time slots between 8:30AM and 4:30PM Eastern Standard Time on any business day between February 27 to 28, 2018.

GC will make its best effort to accommodate your needs based on dates and time availability with priority based on distance. A GC representative will contact you, prior to Industry Day, to confirm your schedule, the location of the meetings, to discuss any special requirements, confirm technical support available on site and help you with your planning.

Registration to the Industry Day and/or One-on-One meetings must be made through the Contract Authority Jeff Schmidt at jeff.schmidt@tpsgc-pwgsc.gc.ca and MUST include the following information:

- A signed copy of Annex C – Engagement Rules (Mandatory Form) must be provided by 2:00 pm EST (Eastern Standard Time) February 23, 2018;
- Your first and second option for dates and times for the One-on-One meeting(s);
- Number of people to attend the Industry Day and/or One-One meetings;
- Name and title of each participant;
- One main contact person's email and phone number;

Note: The Industry Day WebEx Meeting – Agenda & Instructions will be provided to the registered suppliers.

ANNEX C

ENGAGEMENT RULES

An overriding principle of the Industry Engagement Process (Process) is that it be conducted with the utmost fairness and equity between all parties. No one person or organization shall receive or be perceived to have received any unusual or unfair advantage over the others.

All Government of Canada (GC) documentation provided throughout the industry engagement process will be provided to all participants who have agreed to and signed the Terms and Conditions of Engagement Process ("Participant"). The Process begins with the RFI and concludes when the revised NFBPS is published on Buy and Sell, or when the Government of Canada (GC) advises Participants that the Process has concluded

The GC will not disclose proprietary or commercially sensitive information concerning a Participating Supplier to other Participating Suppliers or third parties except and only to the extent required by law.

TERMS AND CONDITIONS

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

- To discuss their views concerning the NFBPS and to provide positive recommendations to improve the strategy. Everyone shall have an equal opportunity to share their ideas and suggestions;
- To allow the GC to record and/or make notes during the one-on-one meeting sessions and/or Industry Day sessions should clarification of information be required;
- NOT to reveal or discuss any information to the MEDIA/PRESS regarding the requirement during this Engagement Process. Media information on the NFBPS can be obtained from Public Services and Procurement Canada Media Relations at 416-512-5550;
- To direct enquiries and comments only to authorized representatives of the GC, as directed in notices given by the Contracting Authority from time to time;
- That the GC will not reimburse any person or entity for any cost incurred in participating in this Process;
- To direct all enquiries with regard to the NFBPS to the Contracting Authority;
- That participation is not a mandatory requirement. Not participating in this Process will not preclude a supplier from submitting offers for food and beverage Request for Standing Offer processes;
- That a Question and Answer document may be posted on Buy and Sell (GETS) for Industry comment;
- That failure to agree to and to sign the Terms and Conditions will result in the exclusion from the Engagement Process;
- That any information submitted to the GC as part of this Process may be used by the GC to update the NFBPS. However, the GC is not bound to accept any information presented by

industry;

- That the GC may disclose the names of Participating Suppliers that choose to participate in the Process; and
- That other Participants may join the Process at any time in the process;

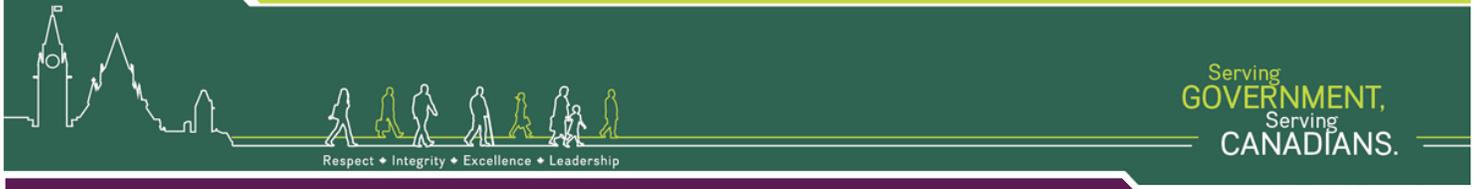
By signing this document, the individual represents that he/she has full authority to bind the Participating Supplier listed below and that the individual and the company agrees to be bound by all the terms and conditions contained herein.

Name of Participating Supplier: _____

Name of Individual: _____ **Signature:** _____

Telephone: _____

Email: _____



National Food and Beverage Procurement Strategy

January 2018



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NOTE: The current [National Food and Beverage Procurement Strategy](#) can be found on Buy and Sell. The National Food and Beverages Procurement Strategy has been provided for industry review and feedback as part of the Request for Information and Industry Consultation processes. As a result of the various industry engagement activities, Public Services and Procurement Canada may adjust the strategy to incorporate industry best practices while meeting Government of Canada policies and the operational requirements of various federal Government Departments.

1. Executive Summary

The National Food and Beverage Procurement Strategy (NFBPS) was established to ensure consistency in meeting Government of Canada food and beverage requirements, while enhancing access for suppliers and increasing value to Canadian taxpayers.

The goals of the NFBPS are:

- more consistent procurement process for government departments while satisfying their operational needs;
- greater consistency in procurement processes for suppliers by using Request for Information (RFI) postings prior to the release of regional consolidated commodity postings (Regional Master Standing Offers);
- greater transparency in food and beverage procurement by using the Government of Canada's Electronic Tendering System (GETS) also known as Buy & Sell (www.buyandsell.gc.ca);
- increased value to taxpayers;
- enhanced access for suppliers;
- Green procurement initiatives;
- align the commodity for PSPC's future e-procurement solution;
- the consolidation of procurement vehicles from individual departmental requirements (Regional Individual Standing Offers (RISO)) to multi-departmental requirements or Regional Master Standing Offers (RMSO);
- use of postal codes as delivery points;
- introduce the possibility of using credit card as the method of procurement under food and beverages standing offers;
- utilizing Canada Post's ePost Connect (electronic bid receipt) as an interim electronic method for bid receipt; and
- to promote PSPCs standardized bid evaluation methods through the Bid Evaluation Tool.

Based on a three-year average, FY 2014/15 – FY 2016/17, annual expenditures associated with contracts and standing offers for food and beverage are estimated to be \$97 million of which the three major government departments, the Department of National Defence, Correctional Services Canada and Fisheries and Oceans

Canada average is \$73 million. This figure is taken from the Spend Cube, a procurement reporting and spend analysis tool that captures the Government of Canada spend.

1.1 Scope

The scope of the NFBPS is federally-funded food and beverage purchases in Canada by PSPC on behalf of government departments in Canada, (such as, the Department of National Defence and the Correctional Service of Canada). This strategy defines common federal procurement strategies to be used by PSPC and other departments who purchase food and beverages. The strategy has been in effect from June 2014 and includes all food and beverage purchases in Canada.

The following sub-categories or cases are not specifically addressed within the current document because they are either covered under other government policies or other national strategies:

- Hospitality Services
- Meals for persons travelling on government business
- Humanitarian aid, disaster relief or emergencies
- Comprehensive Land Claim Areas (CLCA) / Procurement Strategy for Aboriginal Businesses (PSAB)

The following sub-categories or cases are not specifically addressed within the current document. Due to their nature and/or complexity, they do not fall within the standardized categories and suggested bidding periods detailed in Section 5.1:

- Water;
- Combat rations
- Prepared Meals - Catering Services, Boxed Lunches, Sandwiches
- Field Operations – non static kitchens and field exercises
- Operations outside of Canada
- Remote locations, including isolated areas*
- Purchases delivered to ships away from home port
- Non-public fund purchases
- Small or irregular requirements - Government departments may have an ongoing or temporary requirement below a reasonable threshold for use of specific PSPC procurement instruments. Current practice would be to encourage these government departments to use their local purchasing authority and buy competitively from local suppliers.

* An “isolated area” is an area where there is insufficient supplier base to comply with the NFBPS. The End User and Local PSPC offices should inform the Regional Office and Managers when they are requesting an isolated area status. This should be substantiated to the National Lead (Ontario Region) and The National Client who

will determine eligibility and track their status. These areas will use existing federal government procurement policies to procure their needs.

2. Purpose

The NFBPS provides a structured approach within PSPC to meet food and beverage requirements for government departments in a consistent manner while ensuring maximum competition and access to suppliers, and ease the associated workload.

The NFBPS impacts the five PSPC regions who put in place Standing Offers for food and beverage requirements on behalf of various departments. The five regions are identified below with their provincial and territorial responsibilities:

Pacific Region – British Columbia and Yukon;

Western Region – Alberta, Saskatchewan, Manitoba, Northwest Territories and Nunavut;

Ontario Region – Ontario and some Nunavut Land Claims groups;

Québec Region – Québec;

Atlantic Region – New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland.

3. Consolidating and Modernizing PSPC Food and Beverage Procurement Practices

3.1 Regional Consolidation

In certain regions, PSPC has consolidated individual department food and beverage requirements also known as Regional Individual Standing Offers (RISOs) into Regional Master Standing Offers (RMSOs). These regional commodity review exercises and consolidation efforts are to gain economies of scale for the Government of Canada to multiple departments in cases where it is operationally feasible. Not all commodity groupings can be consolidated into RMSOs however, PSPC is changing its strategic direction in food procurement in anticipation of the e-Procurement Solution. The aim is to reduce the number of procurement vehicles across Canada.

3.2 e-Procurement Solution

The Government of Canada is currently seeking an Electronic Procurement Solution (EPS) to modernize public procurement practices so that they are simpler, less administratively burdensome and deploy modern comptrollership. The goal of the EPS is to:

- Achieve better value for Canadians through improved procurement outcomes;

-
- Improve client service by providing easy, web-based access to procurement information and services to Departments and Agencies;
 - Provide easy, web-based access to information and services that reduce Suppliers burden of participating in the procurement process;
 - Achieve an integrated approach to the management of government spend; and
 - Enable procurement professionals with new tools, technology and processes to deliver effective client services.

The EPS system is not in place at this time, however when fully implemented, will create a significant shift in the way PSPC procures food and beverages across Canada. A catalogue approach may be used to buy food and beverages and a proposed use of credit cards as procurement vehicle and payment instrument. There will be significant supplier consultation in using the new format. The NFBPS Food and Beverage will be updated to reflect the new changes as they are implemented in PSPC procurement processes.

3.3 Canada Post ePost Connect Pilot

Prior to the EPS, PSPC may include the Canada Post ePost Connect system to the Food and Beverage procurement strategy. The Canada Post ePost Connect can accept electronic bids in various food and beverage Request for Standing Offer (RFSO) processes across all regions. By moving towards a paperless solicitation process prior to the EPS, it will allow PSPC and suppliers to transition to a modern procurement process and save time and lower supplier costs while meeting PSPC's [Policy on Green Procurement](#).

3.4 PSPC Food Evaluation Tool and National Evaluation Method

PSPC has changed the way it evaluates and awards standing offers by accepting and converting various measurement units within the food and beverage industry. PSPC will be implementing the Food Evaluation Tool as a standardized process where suppliers are able to submit their products in various pre-determined descriptions (i.e. lbs, kilograms, ounces, milliliters etc). This system has allowed PSPC to accept brand name and private label items that have different packaging and sizes, up to a certain threshold, to permit supplier flexibility when proposing their products.

Prior to the issuance of any RFSO, it is recommended that contracting officers issue an RFI to provide potential bidders with information on using the tool to increase bid compliance. Once implemented by PSPC regions, the Food Evaluation Tool will provide bidders with a consistent financial evaluation process across Canada using the same look and feel regardless of commodity or area.

A sample Food Evaluation Tool has been included as an Excel attachment in the Request for Information 'Attachments' section.

4. Government Electronic Tendering Service (GETS) and Buy & Sell

All solicitations by PSPC are posted on the Government Electronic Tendering Service (GETS), commonly referred to as Buy & Sell (www.buysandsell.gc.ca) for the bidding periods as defined in Section 4, Use of Standardized Suggested Categories of Products and Suggested Bidding Periods.

This approach will not be used when there are one-time purchases which do not reflect an ongoing need and when the aggregated requisition value is lower than \$25,000.

5. Use of Standardized Suggested Categories of Products and Suggested Bidding Periods

The marketplace across Canada is sufficiently similar to enable food and beverage purchases to be grouped into a minimum of five main categories as listed below. Flexibility in groupings to address different government departments and supplier capabilities is permitted as long as fairness and transparency is maintained.

5.1 Managing Prices – PSPC solely responsible

The Strategy will provide pre-determined competitive bidding periods where possible to ensure prices are competitive throughout the year. PSPC is solely responsible for managing prices.

Firm pricing for the term with pre-determined competitive bidding periods should provide more cost certainty and less risk for both Canada and industry or alternatively provide for refreshing of prices with competitive price validation as identified in Section 5.2, Price Re-Fresh.

Table 1: Food commodity categories and pre-determined competitive bidding periods

Depending on the Award Methodology identified in Section 5.3, PSPC contracting officers must follow the Standing Offer durations and Bidding Periods identified below.

Category	Line Item Methodology	Basket Methodology
Miscellaneous Groceries • Various Frozen Products	Standing offer duration: 1 year Rebid every 6 months between standing offer holders.	Standing offer duration: 6-months Rebid every 6-months

Meat and/or Fish and/or Poultry	Standing offer duration: 1 year Rebid every 3 months between standing offer holders.	Standing offer duration: 3-months Rebid every 3-months
Dairy (including but not limited to milk, sour cream, cottage cheese, eggs, etc.) <i>Note: Price adjustments as applicable from provincial dairy boards or the Canadian Dairy Commission.</i>	Standing offer duration: 1 year Rebid every 6 months between standing offer holders.	Standing offer duration: 6-months Rebid every 6-months
Bakery Products	Standing offer duration: 1 year Rebid yearly.	Standing offer duration: 1 year Rebid yearly.
Fresh Fruits and Vegetables	Standing offer duration: 1 year Rebid monthly months between maximum three (3) standing offer holders.	Standing offer duration: 3-months Rebid every 3-months <i>Note: two (2), one (1) month price refreshes* are included to update prices.</i>
Beverages with Dispensers (not including water) may consider contract vs. standing offer	1 year with two (2), one (1) year extension periods.	1 year with two (2), one (1) year extension periods.

5. Evaluation and Selection of Suppliers

5.1 Basket and Item Award Methodology

For supplier evaluation, there are two principal methods available, award by “basket” (low aggregate) or by lowest-price per item. The selection methodology will be identified in the Request for Standing Offer (RFSO).

a. Item Award Methodology

Based on an assessment of client needs, it is preferred that Regional Master Standing Offers (RMSOs) and Regional Individual Standing Offers (RISOs) are issued using the lowest-priced per item approach where the items issued will be unique to each successful supplier unless there is a rationale to award a single RMSO or RISO (Standing Offers or SOs) using the low aggregate price basis.

The award on the basis of lowest price per item allows for issuing standing offers to niche suppliers who may not be able to provide the entire basket of listed products.

b. Basket (Low Aggregate) Award Methodology

When there is reason to award one Standing Offer and where low priced basket (low aggregate) will be the default evaluation approach such as when there is a need to keep delivery vehicles to a minimum under the following circumstances:

- a. at secure sites;
- b. remote or Comprehensive Land Claim Agreement sites – where delivery is a significant component of the cost; and
- c. when there is a short list of items (or lower dollar value) making it economically unrealistic to split and award to multiple suppliers.

5.2 Balancing the Number of Awards for Lowest Priced Item Award Methodology

For the purposes of administrative efficiency and effectiveness, when issuing SOs based on lowest price per item, the operational maximum number of SOs to be issued, by category, is 3 per period. This is a reasonable balance between providing access for businesses with the operational challenge of managing multiple standing offers for the government departments. Fewer than 3 SOs per category may be justified for small and/or remote units.

PSPC is responsible for conducting a cost comparison between items to achieve the most cost-effective price and administrative savings to Canada.

Individual solicitations will clearly outline the proposed bid evaluation and selection methodology.

An example of the determination of awards is provided in Annex “A”.

Lowest price per item award ensures maximum competition and promotes multiple standing offers. Enhanced competition opens the marketplace for all, while ensuring the Government of Canada will receive the best overall value. It also facilitates

opportunities to do business with the Government of Canada for small, medium and niche suppliers. Comments received during consultations stressed the need to ensure that all suppliers are eligible to bid on any solicitation. In adopting a low price per item approach, smaller suppliers are not required to compete on an entire basket of goods, which many found acted as a barrier to entry to a competitive process.

By limiting the number of standing offers to a maximum of 3 per category, PSPC endeavours to obtain best value while respecting a client's ability to manage the number of suppliers, as well as enabling a sufficient volume of goods is available to make the awards financially viable for the supplier.

If the PWGSC Standing Offer Authority believes that there is justification for issuing more than 3 SOs per category, the Standing Offer Authority must seek written approval from his/her Director, explicitly identifying this issue relative to this National Strategy and a justification for the additional awards. For the purposes of ensuring compliance, a copy of the approval received from the Director, as well as the associated justification, is to be sent to the following e-mail address:

PWGSC.ORManagement-ORGestion.TPSGC@pwgsc-tpsgc.gc.ca

This will allow for data collection and analysis of the SO award process and subsequent modification of the Strategy, if necessary.

In order to assess the overall benefits that multiple standing offers may provide over the long term, PSPC will analyze evaluation data to determine the optimal administrative cost against product price to Canada.

Rebid to existing Standing Offer Holders for Lowest Priced Item Award Methodology

PSPC Regions who follow the Item Award Methodology can adjust their procurement strategy to rebid to only the awarded SO Holders in that particular commodity for one (1) year in accordance with Section 5, Table 1: Food commodity categories and pre-determined competitive bidding periods. After the SO has been in place for one year, PSPC must post the competitive requirement to allow further competition.

5.3 Price Refresh

* "Price Refresh" refers to a price adjustment if included in the terms of the Standing Offer, to reflect seasonal variations, changes in availability and/or market conditions. (e.g. a drought in Florida increases the cost of oranges, or a provincial or federal board adjusting prices such as the Canadian Dairy Commission or Saskatchewan Milk Marketing Board).

Price refresh(s) are approved on a case-by-case basis depending on the commodity and PSPC's procurement strategy. In the event there is a change in price resulting from any regulatory action taken by the industry or market fluctuations, the price refresh must be subject to revision to reflect the exact cost of such increase or decrease. The proposed price increase must be approved by the client department or Contracting Authority identified in the Standing Offer. The supplier is responsible for providing PSPC any of the following documents at the discretion of the PSPC Contracting Authority:

- market reports;
- invoices for other supplier clients;
- proof of suppliers costs;
- copies of the regulatory action;
- other information accepted by PSPC to substantiate the price increase for each item.

This approach may not be used for locations which are remote from sources of supply and where the value of the amalgamated food and beverage spend is not sizeable enough or operationally feasible to warrant separate solicitations. This decision will be made by PSPC, based on the local market, historical data on number of responses received from suppliers and consultation with the client.

6. Product Lists

6.1 Review "Off-List"

Government departments are responsible for managing their core list of items. These lists will be reviewed periodically to identify items that will be purchased on a regular basis (weekly, bi-monthly, or monthly) with sufficient, realistic volumes. In some Standing Offers, there may be a need for unspecified miscellaneous (off-list) items.

Solicitation documents will identify an off-list ceiling amount and the client department will monitor these lists to ensure that "off-list items" do not exceed the amount listed in the solicitation document. Unless otherwise stated in the solicitation document suppliers will need to report on "off-list" items purchased and the government department Project Authority will monitor the frequency and volume for recommended inclusion into the regular product listing. Pricing of the miscellaneous items will be based upon the use of a product discount (or mark-up).

Under the NFBPS for Food and Beverage, government departments will be encouraged to develop standardized and consolidated food and beverage product lists.

6.2 National Food Quality Specifications

All food and beverage procurement instruments will reference the Department of National Defence's [Food Quality Specifications](#) (FQS) located on Buy & Sell. The FQS have replaced all current Canadian General Standards Board standards.

Currently, various federal and provincial laws and regulations are in place that support the use of differing descriptions and there are inconsistencies between provinces. It is the responsibility of each government department to determine their own specific requirements (i.e. specifications and standards - specific information relating to desired product sizes, quantities and quality of items must be clearly defined). For instance, government departments may specify the need to have individual serving packages of sugar as opposed to 5 kg bags and package size limitations (e.g. bulk or container milk). PSPC regional offices, working with government departments are moving towards consolidated commodity requirements for various regions which will create streamlined product descriptions and standards.

When government departments do not have a brand preference, no brand name will be identified in the item detail and suppliers may quote the brand of their choice.

Suppliers must be aware of the brand and lot being provided in order to track and alert the government departments of potential recalls.

6.3 Brand Equivalency Management Process

Government departments should avoid use of brand names when defining requirements; however, it is often an easy means to describe a requirement where the cost of creating and maintaining generic specifications would be prohibitive or the generic products do not meet government departments food preparation standards. Suppliers of comparable products need to have a means to recommend alternatives, while respecting the legitimate need of government departments to manage their product lists. There is a cost to Canada to order products that will not be used, and for suppliers to offer products that will not be ordered.

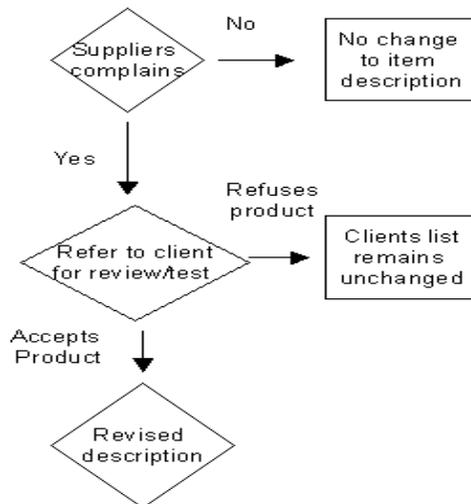
The following process is intended to manage this issue consistently during the solicitation process, prior to standing offer award, while respecting overall roles, responsibilities and obligations.

If the government department identifies in the solicitation a brand name item with no equivalent, the following process will be followed: If there are no complaints from suppliers the item description remains unchanged. If however, a supplier complains, the supplier must submit an equivalent product to be tested by the client department. The client department will review/test the product and either refuse or accept the product. If the product is refused the item remains unchanged, and if the product is accepted the solicitation will be amended to include the equivalent

product description. Figure 1 - Consistent "Or Equivalent" Management Process, outlines the process below by diagram.

Figure 1- Consistent "Or Equivalent" Management Process

Example:
Trade Mark™ Ketchup
Vs Trade Mark™ Ketchup or equivalent
If Client uses name brand product (no equivalent or "or equivalent") in list provided:



7. Government Department Ordering Information

7.1 Minimum Call-up values for Delivery

PSPC will work with government departments as well as industry to establish parameters regarding minimum call-up orders for deliveries. The rationale is to ensure that call-ups represent a reasonable quantity of goods to ensure deliveries are cost efficient for the supplier and convenient for the government departments.

Client departments should make every effort to make the Call-up value high enough so suppliers can ensure the delivery is cost efficient.

7.2 Delivery Requirements

Solicitations will address the specific delivery requirements for each location. These may include: delivery time window, delivery frequency, delivery dock limitations, security considerations, storage constraints (e.g. size of a particular kitchen), and seasonal demand variations.

Delivery outside of the prescribed delivery window will be addressed through the [Vendor Performance Corrective Measures Policy](#) (PWGSC Standard Acquisition Clauses and Conditions Manual).

7.3 Delivery Wait Time charges

When unforeseen and lengthy delays at the departments' loading docks contribute to spoilage of goods or hardship of suppliers, Canada will pay, with supplier-submitted evidence, a pre-determined pro-rated charge per hour after a 2-hour wait.

It will be the responsibility of the delivery personnel to provide evidence in writing of this wait time and the potential charge is to be invoiced as a separate item.

7.4 Ordering Lead Times

Order lead times need to respect the supplier's ability to realistically execute the requirement, as well as the government department's need to receive the goods. PSPC will establish the following lead-time criteria:

Minimum lead time for delivery of orders = 48 Hrs
Minimum lead time for order cancellations = 24 Hrs
Minimum lead time for special orders = 7 calendar days*

*Seven calendar days has been established as a general timeframe for all non-stocked items however, government departments should communicate to suppliers in advance of the order to determine if the lead time is reasonable and if not, suppliers must identify the more realistic lead time and reason for the delay.

7.5 Fees

- i) Wherever it is applicable, the environmental and recycling fees must be included in the unit price.

Environmental charges are fees for containers/packaging that are included in the price or added to the amount invoiced. Normally, environmental charges are included in the price; however, where items can be collected and returned to a supplier, the prices may be listed as a separate item on the invoice.

- ii) The cost of delivery must be included in the unit price for each item unless the PSPC Regional Office and the client department identify exceptional circumstances that make a separate delivery charge more cost-effective.

7.6 Emergency Situations

Solicitations are to highlight that in rare emergency-type situations (e.g. a life-threatening situation; a disaster endangering the quality or loss of life; or potential situation of significant Crown loss or damage), the above ordering lead times may be reduced and/or changes to the orders may be permitted.

8. Incorporating environmental considerations in Food and Beverages purchases

PSPC encourages the use of Green Products and intends to initiate Greening of Food and Beverages procurement. In consultation with government departments and industry stakeholders, PSPC will incorporate appropriate and consistent environmental considerations, on an incremental basis, in the procurement process for Food and Beverages.

To facilitate this, PSPC will demonstrate environmental leadership by providing support and guidance to suppliers and government departments to enable the identification and incorporation of environmentally preferable goods, services and processes. The incorporation of green point-rated criteria will allow government departments the opportunity to outline the environmental considerations and allow them to manage the criteria on a case-by-case basis. This will be in the context of striving for the optimal balance of government departments' requirements, supplier capacity and ensuring value to Canadians.

One of the key steps towards accomplishing this objective will be the development and subsequent publishing of PSPC's strategic environmental direction for Food and Beverages through the [Green Procurement Scorecard](#) for Food and Beverages. The scorecard will outline the multi-year plan for the incorporation of environmental criteria taking into consideration industry and departmental feedback.

In addition, Food and Beverages solicitations and resulting standing offers will incrementally include environmental considerations. Examples of environmental considerations include:

- Offerors/suppliers will be required to submit information through electronic methods either through PSPC's pilot program for Canada Post's ePost Connect (electronic bid receipt) as an interim electronic method for bid receipt prior to the e-Procurement Solution roll out;
- Requesting suppliers adopt or show proof of an environmental certification such as ISO 14001 or equivalent;
- Whether the supplier operates any hybrid vehicles, fuel cell vehicles or utilize fuels in its vehicles that are hydrogen, bio-based fuel or clean fossil fuels;
- Whether the supplier utilizes a vehicle tracking and management system that can optimize delivery routes in order to save fuel and reduce emissions;
- Whether the suppliers delivery vehicles have the ability to allow refrigeration units to operate without the necessity to idle the vehicle engine;

-
- Suppliers are requested to submit a copy of their environmental policy either on corporate letterhead electronically, as corporate documentation or provide firms web site address where this information resides;
 - Promote bulk packing that is recyclable;

Note: *PSPC will be consulting all stakeholders to identify additional environmental considerations and trends currently implemented in the food industry.*

Context

The National Goods and Services Procurement Strategy aims to raise the awareness of environmental issues to suppliers and demonstrate that the Government of Canada is implementing its [Policy on Green Procurement](#).

The Policy on Green Procurement was created in 2006 with the mandate to advance the protection of the environment and support sustainable development by integrating environmental performance considerations into the procurement decision-making process.

Setting Green Procurement targets is one of the requirements of the Policy. Departments and agencies in Section 2 of the Financial Administration Act are expected to report annually on these targets through their Report on Plans and Priorities and Departmental Performance Report.

The incorporation of appropriate and consistent environmental considerations in Food and Beverage solicitation and contract documents will simplify the process for all stakeholders and be contributing factors in helping Government of Canada meet the objective of the Policy on Green Procurement.

9. Governance

PSPC is committed to helping government departments meet their goals and achieve efficiencies and transformation through understanding and managing of government-wide operational requirements, consensus on strategic procurement direction, and coordinated delivery and operational services.

Any requirement that does not fall within the body of the strategy will be prioritized and PSPC will consult with government departments to better understand the needs so that we can provide corresponding responses.

10. Use of Procurement Instruments

Standing Offers (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. A standing offer is not a contract until the government department issues a “call up” against the standing offer) are the preferred procurement instrument because

government departments cannot predict their food and beverage needs very far in advance. Price analysis/verification is the responsibility of PSPC in accordance with the provisions of the Supply Manual. Prices are identified for the period of time detailed in the Procurement Instrument.

Regional Individual Standing Offers (RISOs):

Regional Individual Standing Offers (RISOs) are issued for food and beverage purchases of a single government department as and when requested at identified prices within a specific geographic area. RISOs are the preferred procurement instrument as they offer the flexibility to be customized to each government department's expectations of quantity, quality, packaging, product and/or delivery needs.

Regional Master Standing Offers (RMSOs):

Regional Master Standing Offers (RMSOs) could be considered where different departments within a specific geographic area with the same needs have agreed on the same description, so that a single solicitation could be issued and follow the pre-determined repetitive competitive bidding periods identified in section 4 of this document.

Supply Arrangements:

When government departments have sufficient contracting authority, Supply Arrangements may be considered however, they should be avoided as the preferred procurement methods are Standing Offers.

In these circumstances, PSPC provides screening criteria for an initial list of suppliers and provides opportunities for new suppliers to enter the process at least once a year.

Under Supply Arrangements, PSPC assumes responsibility for ensuring compliance with terms and conditions, trade agreements, and the vendor performance process to ensure that the government departments will have a viable list of qualified suppliers from the categories identified in Section 5.1.

11. Implementation Plan

PSPC may implement the following environmental activities or additional activities as a result industry consultation:

- Publish the Green Scorecard to communicate PSPCs direction to industry, government departments and PSPC contracting officers;

- Support emerging environmental technologies and demonstrate environmental leadership by supporting suppliers and government departments to use environmentally preferable methods and processes through mandatory and point-rated environmental criteria in the solicitations some which are identified in Section 8, Incorporating environmental considerations in Food and Beverages purchases;
- Based on data collection results, introduce mandatory criteria relating to environmental considerations. Depending on the nature of the requirement, the level of mandatory criteria can vary amongst solicitations.

PSPC may implement these activities as follows:

Activity	Timeframe
PSPC will review internal processes and policies to develop a common look and feel for Request for Standing Offer (RFSO) documents and resulting Standing Offers across all regions.	Fiscal Year 2018/2019
PSPC will participate or conduct bi-annual or annual meetings with government departments	Ongoing
Data collection and analysis of the various regional RMSO award processes. PSPC will analyze evaluation data of more than 3 RISOs or RMSOs per category being awarded to allow subsequent modifications of the strategy if necessary.	Ongoing
Engage suppliers, industry associations and other levels of government to determine the effectiveness of the strategy and review options for a comprehensive public sector strategy.	Fiscal Year 2017/2018
Migrate the existing DND Food Quality Specifications from Buy and Sell to a website to ensure specifications are clear, easy to understand and locate.	Fiscal Year 2018/2019
Comprehensive review and strategy update posted on Buy & Sell.	Fiscal Year 2018/2019

ANNEX “A”

Determining a Standing Offer Award

Table 2: Determining Award (simplified*)

Example A: PSPC intends to issue a standing offer for the category of “Cheese” for a government department.

*This simplified example represents a very short list of items and on that basis alone, might be justification for an award on the basis of lowest basket or aggregate price. However this is for demonstration purposes only.

Item	Qty	Firm A		Firm B		Firm C		Lowest Price Item	
		Firm Kilogram Price	Extended Price	Firm Kilogram Price	Extended Price	Firm Kilogram Price	Extended Price	Extended Price	Firm
1. Gouda, 1 kg	1000	\$6.00	\$6,000.00	<u>\$5.00</u>	\$5,000.00	\$5.50	\$5,500.00	\$5,000.00	B
2. Swiss, 1 kg	500	<u>\$3.00</u>	\$1,500.00	\$4.00	\$2,000.00	\$5.00	\$2,500.00	\$1,500.00	A
3. Cheddar, 1 kg	600	\$8.00	\$4,800.00	\$7.00	\$4,200.00	<u>\$6.85</u>	\$4,110.00	\$4,110.00	C
4. Havarti, 1 kg	900	\$10.00	\$9,000.00	\$11.00	\$9,900.00	<u>\$9.00</u>	\$8,100.00	\$8,100.00	C
5. Brie, 1 kg	250	<u>\$4.65</u>	\$1,162.50	\$6.20	\$1,550.00	\$5.70	\$1,425.00	\$1,162.50	A
Total			\$22,462.50		\$22,650.00		\$21,635.00	\$19,872.50	

In order to determine whether to award by lowest price per item or basket, the total of each lowest priced item (across suppliers) is compared to the lowest basket or aggregate price (single supplier). The difference between these two amounts is considered an administrative savings. In this case, the lowest total cost to award by item (extended price) would be **\$19,872.50** and the total cost to award by basket would be **\$21,635.00**.

The administrative savings should be significant enough to warrant the issuance of another SO. The difference between the award by basket and the total cost to award by item is $\$21,635.00 - \$19,872.50 = \$1,762.50$ and the government department will be consulted to determine whether the lower product cost would be preferable to the increase in administrative effort that would be involved in receiving

multiple deliveries and invoices. In the example, if the lowest priced item evaluation was endorsed by the government department, then the following analysis will apply:

This illustrates how to identify the most cost effective method for determining the number of Standing Offers to be issued.

If an award was made on the lowest priced item:

Firm A would receive:

Item	Firm Kilogram Price	Qty	Extended Price
Item #2, Swiss	\$3.00	500	\$1,500.00
Item #5, Brie	\$4.65	250	\$1,162.50
Total			\$2,662.50

Firm B would receive:

Item	Firm Kilogram Price	Qty	Extended Price
Item #1, Gouda	\$5.00	1000	\$5,000.00
Total			\$5,000.00

Firm C would receive:

Item	Firm Kilogram Price	Qty	Extended Price
Item #3, Cheddar	\$6.85	600	\$4,110.00
Item #4, Havarti	\$9.00	900	\$8,100.00
Total			\$12,210.00

The total of the low item award would be \$19,872.50 (Firm A + Firm B + Firm C)

However, further analysis shows that for an administrative savings of 2.52%, the number of Standing Offers could be reduced to 2 thus reducing administrative costs to government departments. The optimal target is a variance of less than 5% or greater between the first and second offers.

If Firm B. was eliminated (item #1 would be awarded to the next lowest bidder, Firm C.)

Firm A would be awarded:

Item	Firm Kilogram Price	Qty	Extended Price
Item #2, Swiss	\$3.00	500	\$1,500.00
Item #5, Brie	\$4.65	250	\$1,162.50
Total			\$2,662.50

Firm C. would be awarded:

Item	Firm Kilogram Price	Qty	Extended Price
Item #3, Cheddar	\$6.85	600	\$4,110.00
Item #4, Havarti	\$9.00	900	\$8,100.00
*Item #1, Gouda	\$5.50	1000	\$5,500.00
Total			\$17,710.00

*re-award from B

The revised total would be \$20,372.50

The difference between the lowest possible item award and the new item total with the potential award to Firms A. & C. is: $\$20,372.50 - \$19,872.50 = \$500.00$ or 2.52%

With a premium of \$500.00, justification can be made to award 2 rather than 3 Standing Offers.

ANNEX “B”

Frequently Asked Questions

Question: What is an “Isolated Area”?

Answer: An “isolated area” is an area where there is insufficient supplier base to comply with the NFBPS for food and beverage. The End User and Local PWGSC offices should inform the Regional Office and Managers when they are requesting an isolated area status. This should be substantiated to the National Lead and The National Client who will determine eligibility and track their status. These areas will use existing federal government procurement policies to procure their needs.

Question:

Which Department of National Defence (DND) units purchase food and beverages for “field exercises” on a regular basis?

Answer:

The following DND units regularly purchase food and beverages for “field exercises”:

- 1 CMBG Edmonton, AB
- 2 CMBG Petawawa, ON
- 5 CMBG Valcartier, QC
- CFB Shilo, MB
- CFB Suffield, AB
- CFB Wainright, AB
- Petersville, NB (Gagetown)

Question:

Are all food and beverage purchases for the DND units listed above exempt from the NFBPS for food and beverage?

Answer:

No, these units are only exempt for purchases related to “field exercises” and for any other exception outlined in the NFBPS for food and beverage.

Question:

What is a “non static kitchen”?

Answer:

A non static kitchen is a kitchen or galley that moves, such as mobile field kitchens and Her Majesty’s Canadian Ships (HMCS)

Question:

How do Standing Offers work?

Answer:

A standing offer is a continuous offer from a supplier to Canada that allows Canada to purchase goods and services, as requested, through the use of a call-up process that incorporates the conditions and pricing of the standing offer.

A standing offer itself is not a contract. A separate contract is formed each time a call-up for the provision of goods and/or services is made against a standing offer. When a call-up is made, it constitutes an unconditional acceptance by Canada of the supplier's offer for the provision, to the extent specified, of the goods and/or services described in the standing offer. Canada's liability is limited to the actual value of the call-ups made by the identified user(s) within the period the standing offer is valid.

RMSO's are generally issued for the use of many client departments and agencies within a specific geographic area.

RISO's are generally issued for the use of a single client department or agency within a specific geographic area.

Question:

How do Supply Arrangements work?

Answer:

A supply arrangement (SA) is a non-binding arrangement between the Government of Canada and a pre-qualified supplier. It allows federal departments and agencies to award contracts and solicit bids from a pool of pre-qualified suppliers for specific requirements within the scope of the SA.

An SA is not a contract for the provision of the goods and services described in it and neither party is legally bound as a result of signing a supply arrangement alone. It simply establishes a framework to allow individual bid solicitations to be processed quickly. The solicitations may then result in legally binding contracts for the goods and services described therein.

An SA may be used when:

- a. the overall requirement cannot be clearly defined at the outset and it the intent is to establish a pool of screened suppliers from which to solicits bids for individual department requirements;
- b. a particular commodity is procured on a regular basis (goods or services);
- c. a standing offer is not suitable due to call-up variables such as method of payment or an inability to define the statement of work or commodity in advance);

-
- d. clients or users can undertake a simplified solicitation to obtain competitive bids from the pre-qualified suppliers;
 - e. selection will be based on best value, as described in the SA and the subsequent solicitation; and
 - f. it is more efficient for PWGSC to operate as the provider of the framework on behalf of other users/clients and not as the contracting authority.

When developing the procurement strategy, contracting officers should consider the following:

- a. national and international trade agreements that may apply to the solicitation (see Supply Manual Section [3.50 Procurements Subject to Trade Agreements](#));
- b. whether or not ceiling prices will be included in the SAs;
- c. how the use of the SA will be monitored and reported; and
- d. security requirements (i.e. the base security requirements and how different security requirements will be managed).

IMPORTANT:

The contracting officer must ensure that a contract resulting from an SA contains the proper security requirements and that the client is aware of its responsibility to confirm the current security status of the organization and/or personnel prior to issuing the contract.

When security clearances such as IT, Production and/or COMSEC are required, clients should seek assurance of these specific security types from the Canadian Industrial Security Directorate (CISD) as they are contract-specific and not blanket clearances held by the organizations.

Each SA should contain clear instructions on how to use the SA and identify which departments and agencies can use them.