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Core 0B2 / Noyau 0B2

Gatineau

Quebec

K1A 0S5

Bid Fax: (819) 997-9776

**SOLICITATION AMENDMENT
MODIFICATION DE L'INVITATION**

The referenced document is hereby revised; unless otherwise indicated, all other terms and conditions of the Solicitation remain the same.

Ce document est par la présente révisé; sauf indication contraire, les modalités de l'invitation demeurent les mêmes.

Comments - Commentaires

Vendor/Firm Name and Address

**Raison sociale et adresse du
fournisseur/de l'entrepreneur**

Issuing Office - Bureau de distribution

Systems Software Procurement Division / Division des
achats des logiciels d'exploitation
Terrasses de la Chaudière
4th Floor, 10 Wellington Street
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Gatineau
Quebec
K1A 0S5

Title - Sujet AI-IA - Invitation to Qualify	
Solicitation No. - N° de l'invitation EN578-180001/A	Amendment No. - N° modif. 005
Client Reference No. - N° de référence du client EN578-180001	Date 2018-10-12
GETS Reference No. - N° de référence de SEAG PW-\$SEE-017-33817	
File No. - N° de dossier 017ee.EN578-180001	CCC No./N° CCC - FMS No./N° VME
Solicitation Closes - L'invitation prend fin at - à 02:00 PM on - le 2018-10-31	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: Lessard, Peter	Buyer Id - Id de l'acheteur 017ee
Telephone No. - N° de téléphone (613) 850-7602 ()	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

ARTIFICIAL INTELLIGENCE

Invitation to Qualify

This Amendment 005 is issued to respond to questions from industry, and to update the ITQ document.

QUESTIONS AND ANSWERS

Question 016:

As per Annex 1: Instructions, section 1.3.2, *It's the Supplier's responsibility to: f. Provide a comprehensible and sufficiently detailed response, including all requested pricing details that will permit a complete evaluation in accordance with the criteria set out in the ITQ.*

In Annex 2 – Evaluation Criteria, there is no mention of pricing nor do we see any mention of pricing anywhere else in the document and amendment documents. Is pricing needed at this stage? Please clarify.

Answer 016:

Suppliers are not required to submit pricing details with their responses. Section 1.3.2 (f), page 7, of the amended ITQ has been revised to remove the request for pricing details.

Question 017:

The Bid Submission requires submission using the ePost Connect service. It is rare that there is not an alternate method of submission to this service. Would the Crown consider email submissions for the purpose of this ITQ?

Answer 017:

Suppliers are encouraged to submit their responses using the [ePost Connect service](#) provided by Canada Post Corporation or submit their responses directly to the bid receiving unit identified on the front page of this solicitation. Section 2.6 of page 6 of the amended ITQ has been revised to provide the additional information.

ARTIFICIAL INTELLIGENCE

Invitation to Qualify

Question 018:

Is there any specific template/form for responding to the ITQ for AI?

Answer 018:

No, suppliers may submit their responses in any format of their choice.

Question 019:

Is it the Crown's intention for suppliers seeking to qualify on Band 3 to submit 5 project examples for each of the 3 AI categories for a total of 15 project examples; or submit 5 project examples in total that must include the 3 categories?

Answer 019:

Suppliers may seek to qualify for all 3 bands by submitting a minimum of 5 project examples. Suppliers are not required to provide examples for all of the 3 categories.

Question 020:

If applying for all three bands, are suppliers required to submit 5 project examples to meet M1 requirements, or do you need 9 project examples (1 for band 1, 3 for band 2, 5 for band 3, equaling 9 project examples)?

Answer 020:

Suppliers may seek to qualify for all 3 bands by submitting a minimum of 5 project examples.

Question 021:

Do we just have to include the name and contact information of each one of our references at the end of each project example outlined in section M1 of our ITQ response?

Answer 021:

Yes, suppliers should provide this information for each reference as indicated in Annex 2, M1 of this solicitation.

ARTIFICIAL INTELLIGENCE

Invitation to Qualify

Question 022:

Could you please advise on how I can get setup on the ePost Connect service? The ITQ references sending an email to the bid receiving unit to request access; however, I do not see an email address listed in the document.

Answer 022:

To request an ePost Connect conversation please send an email to the national capital region Bid Receiving Unit at TPSGC.DGAreceptiondessoumissions-ABBidReceiving.PWGSC@tpsgc-pwgsc.gc.ca. Additional information is located in Annex 5, section 8.1 (a) of the ITQ document.

Question 023:

What is the ITQ number?

Answer 023:

The ITQ number (EN578-180001/A) is the same number as the solicitation number as indicated on the front page of the solicitation document.

Question 024:

Should an organization miss out on the AI-IA ITQ, would they be eligible for future AI/ML related solicitations?

Answer 024:

Only suppliers pre-qualified through this solicitation process would be eligible to bid on future AI/ML related solicitations. See article 2.1 of page 3 of the ITQ document. The Source List will be reviewed and updated on a periodic basis.

Question 025:

Are responders required to provide financial information or price-lists for subject related platforms, products and services?

Answer 025:

There is no requirement to provide financial information or price-lists with your response to this ITQ. Please refer to Question and Answer 016 of this Amendment above.

ARTIFICIAL INTELLIGENCE

Invitation to Qualify

Question 026:

Is there a list of specific ethical considerations that can be shared with responders, or is this a general question based on individual organizational experiences?

Answer 026:

This is a general question based on individual organization experience.

Question 027:

Are the consumers of submitted ITQ responses technical, non-technical, or a mix of the two?

Answer 027:

Evaluators for this ITQ may consist of technical or non-technical personnel or resources.

Question 28:

Would it be possible to extend the closing date for this solicitation by two weeks?

Answer 028:

Canada is not a position to extend the closing date at this time.

INVITATION TO QUALIFY (ITQ)

on a source list of suppliers to provide Canada with responsible and effective Artificial Intelligence (AI) services, solutions and products

Public Services and Procurement Canada



Public Services and
Procurement Canada

Services publics et
Approvisionnement Canada

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1. Introduction

- 1.1. Artificial Intelligence (AI) applications and their potential impact on the public sector are wide ranging. Canada is seeking to integrate AI into services while ensuring it is governed with clear values, ethics, and law, and in accordance with human rights obligations.
- 1.2. After research and consultation with industry, academia, and civil society, Canada has identified the following AI categories and business outcomes to inform this solicitation process:

1.2.1. Insights and Predictive Modelling.

Canada is looking to maximize the value of the data and information within the organizations. There is a need to better understand how to leverage such techniques as machine learning and natural language processes to predict outcomes and gain deeper insights into behavioural patterns and trends. This includes, but is not limited to, preparing data, building and training models, putting models into production, and monitoring them as they are used. Some potential applications:

- Using AI to analyze and predict outcomes and effectiveness, undertake comparative analysis and inform policy decisions;
- Talent Analytics: to match individuals to suitable jobs, gauge and optimize productivity or for performance assessment and management; and
- Financial Management: to analyze patterns in accounting, cost forecasting and resource mix allocations.

1.2.2. Machine Interactions.

Canada is increasingly seeking to implement digital channels to facilitate interactions between citizens and government and make them more accessible. There is interest in exploring such techniques as semantic analysis, natural language processing, speech recognition and rule based-pattern matching to see how they may improve interactions with users and government operations. Some potential applications:

- Chatbots and virtual agents to help answer questions, provide step-by-step instructions and improve the way information is communications;
- Smart routing to determine best communication channel and right resources required; and
- Search optimization and targeted content distribution

1.2.3. Cognitive Automation.

Canada wants to start automating low-value tasks to maximize the value of their employees and to support more efficient business processes. Consequently, there is an interest to bring AI to further automate repetitive tasks or information-intensive processes. This could include, for example, applications to assist in or perform automated decision-making and robotic process automations.

- Automated Decision Systems to process and review application information, classify cases in terms of risk and priority, make recommendations and/or render decisions;
- Automated content generation to summarize and compare notes, write backgrounders or meeting scenario notes; and
- Speech, audio and visual recognition capabilities.

1.3. This Invitation to Qualify is subject to the provisions of the World Trade Organization Agreement on Government Procurement (WTO-AGP), the North American Free Trade Agreement (NAFTA), the Canada-European Union Comprehensive Economic and Trade Agreement (CETA), and the Canadian Free Trade Agreement (CFTA). For subsequent solicitations, the decisions on applicability of Trade Agreements will be made on case-by-case basis based on appropriate criteria.

2. Procurement Framework

- 2.1 The purpose of this procurement vehicle is to establish a pre-qualified list of suppliers (hereinafter referred Source List) who meet all of the mandatory criteria (see section 2.3) to provide Canada with responsible and effective AI services, solutions and products. Subsequently, solicitation opportunities will be competed amongst the pre-qualified suppliers on the Source List for AI covering a variety of desired outcomes and needs.
- 2.2 For the purposes of this ITQ, suppliers are asked to provide their responses considering the broad and inclusive approach to AI as described in the introduction.

Mandatory Criteria

- 2.3 Canada intends to pre-qualify suppliers based on the following mandatory criteria:
 - 2.3.1 AI Ethics: Supplier must describe how they address ethical considerations when delivering AI. This could include experience in applying frameworks, methods, guidelines or assessment tools to test datasets and outcomes.
 - 2.3.2 AI Implementation: Supplier must provide examples of successfully delivered AI services, solutions and/or products aligned to the categories provided in the introduction section. This includes describing the scope and complexity of the project and the specific results and outcomes achieved. Successful examples may be from any sector, in any country or jurisdiction. Suppliers seeking to qualify under:

Band 1 provide at least (1) one project example
Band 2 provide at least (3) three project examples
Band 3 provide at least (5) five project examples

For a definition of Bands, see Annex 4.

Supplier must clearly indicate at the time of their submission what bands they are interested in being evaluated against.
 - 2.3.3 AI Talent: Supplier must describe how they are qualified to deliver AI. This includes describing expertise and experience, and any other skill sets or qualifications.
- 2.4 Suppliers meeting all the mandatory requirements will be eligible for inclusion on the Source List.

- 2.5 This Invitation to Qualify includes a set of predetermined conditions that will apply to subsequent bid solicitations and contracts. Submitting an offer, in response to this Invitation to Qualify, implies the Supplier's agreement with the terms and conditions included herein which will form the basis of resulting contract.

Deadline, Bid Submission Information and Enquiries

- 2.6 For the purposes of this Invitation to Qualify, suppliers must submit a complete response to the ITQ by 2:00 PM EST, October 31 2018. Suppliers are encouraged to submit their responses using the [epost Connect service](#) provided by Canada Post Corporation or submit their responses directly to the bid receiving unit identified on the front page of this solicitation. For more information, please refer to section 8 of Annex 5
- 2.7 All enquiries must be submitted to Peter Lessard peter.lessard@tpsgc-pwgsc.gc.ca no later than 5 calendar days before the bid closing date. Enquiries received after that time may not be answered.
- 2.8 The ITQ has 5 key annexes that suppliers are responsible to review:
- Annex 1: Instructions
 - Annex 2: Evaluation criteria
 - Annex 3: Terms and Conditions
 - Annex 4: Competing for subsequent opportunities
 - Annex 5: Important additional information, including Terms and Conditions

Additional Notes

- To receive an email notification for new amendments, select the email notification service icon and fill out the subscription form on the Page of Notice
- Suppliers will be advised of their status by Canada. Suppliers may request a debriefing on the results of the ITQ. Suppliers should make the request to Canada's representative within 15 working days of receipt of the results of the ITQ.
- The Source List will be reviewed and updated on a periodic basis.
- Suppliers are invited to provide feedback and comments on an ongoing basis.
- The resulting Source List is not intended to provide staff augmentations. For such requirements, existing vehicles will continue to be used.

Annex 1: Instructions

1.1 Procurement Business Number

Suppliers are required to have a Procurement Business Number (PBN) before being considered for the Source List. Suppliers may register for a PBN on line at [Supplier Registration Information](#). For non-Internet registration, suppliers may contact the InfoLine at 1-800-811-1148 to obtain the telephone number of the nearest Supplier Registration Agent.

1.2 Definition of Supplier

"Supplier" means the person or entity (or, in the case of a joint venture, the persons or entities) submitting a response. It does not include the parent, subsidiaries or other affiliates of the Supplier, or its subcontractors.

1.3 Submission of responses

1.3.1 Canada requires that each response, at the Invitation to Qualify closing date and time or upon request from Canada, be signed by the Supplier or by an authorized representative of the Supplier. If a response is submitted by a joint venture, it must be in accordance with section 13 of Annex 5.

1.3.2 It is the Supplier's responsibility to:

- a. Obtain clarification of the requirements contained in the Invitation to Qualify, if necessary, before submitting a response;
- b. Prepare the response in accordance with the instructions contained in the ITQ;
- c. Submit by the ITQ closing date and time a complete response;
- d. Ensure that the Supplier's name, return address, ITQ number, and ITQ closing date and time are clearly visible on the response; and,
- e. Unless specified otherwise in the ITQ, Canada will evaluate only the documentation provided with the response. Canada will not evaluate information such as references to Web site addresses where additional information can be found, or technical manuals or brochures not submitted with the response;
- f. Provide a comprehensible and sufficiently detailed response that will permit a complete evaluation in accordance with the criteria set out in the ITQ.

1.4 Canada will make available Notices of Proposed Procurement (NPP), ITQ's and related documents for download through the Government Electronic Tendering Service (GETS). Canada is not responsible and will not assume any liabilities whatsoever for the information found on websites of third parties. In the event an NPP, ITQ or related documentation would be amended, Canada will not be sending notifications. Canada will post all amendments, including significant enquiries received and their replies, using GETS. It is the sole responsibility of the Supplier to regularly consult GETS for the most up-to-date information. Canada will not be liable for any oversight on the Supplier's part nor for notification services offered by a third party.

1.5 Legal capacity

The Supplier must have the legal capacity to contract. If the Supplier is a sole proprietorship, a partnership or a corporate body, the Supplier must provide, if requested by Canada, a statement and any requested supporting documentation indicating the laws under which it is registered or incorporated together with the registered or corporate name and place of business. This also applies to suppliers submitting a response as a joint venture.

1.6 Rights of Canada

1.6.1 Canada reserves the right to:

- a. reject any or all responses received in response to the ITQ;
- b. cancel the ITQ at any time;
- c. reissue the ITQ;
- d. if no responsive responses are received and the requirement is not substantially modified, reissue the ITQ by inviting only the suppliers who submitted a response to resubmit responses within a period designated by Canada

1.7 Communications – solicitation period

1.7.1 To ensure the integrity of the competitive ITQ process, enquiries and other communications regarding the ITQ must be directed only to Canada's Representative identified in the ITQ. Failure to comply with this requirement may result in the response being declared non-responsive.

1.7.2 To ensure consistency and quality of information provided to suppliers, significant enquiries received and their replies will be posted on the Government Electronic Tendering Service (GETS). For further information, refer to section 1.4 of this Annex.

1.8 Entire requirement

The ITQ all the requirements relating to the pre-qualified list. Any other information or documentation provided to or obtained by a supplier from any source are not relevant. Suppliers should not assume that practices used under previous contracts will continue, unless they are described in the ITQ. Suppliers should also not assume that their existing capabilities meet the requirements of the ITQ simply because they have met previous requirements.

1.9 Code of Conduct for Procurement – response

The [*Code of Conduct for Procurement*](#) provides that Suppliers must respond to the Invitation to Qualify (ITQ) in an honest, fair and comprehensive manner, accurately reflect their capacity to satisfy the requirements set out in the ITQ and resulting pre-qualified list, submit bids and enter into contracts only if they will fulfill all obligations of the Contract. By submitting a response, the Supplier is certifying that it is complying with the *Code of Conduct for Procurement*. Failure to comply with the *Code of Conduct for Procurement*, may render the response non-responsive.

1.10 Canada reserves the right to re-evaluate the qualification of any Qualified Respondent at any time during the solicitation process.

1.11 Did you know that the Office of Small and Medium Enterprises can help you do business with the federal government? To learn more about the services available, visit [*Support for Smaller Businesses*](#).

Annex 2 – Evaluation Criteria

Mandatory Requirements					
Item Number	Requirement	Section/Page in Supplier's Response	Met	Not Met	Comments
M1	<p>The supplier must demonstrate, as a prime contractor or subcontractor, to have successfully delivered AI products, solutions, or services within at least one the three determined AI areas of work* within the last three years. This includes having clearly describing the scope, complexity, results and outcomes. At least one reference** must be provided per project.</p> <p>The onus is on the supplier to clearly indicate at the time of their ITQ submission what bands they are interested in being evaluated against.</p> <p>* AI areas of work include:</p> <p><u>Insights and Predictive Modelling</u>: Maximizing the value of data and information by leveraging such techniques as machine learning and natural language processes to predict outcomes and gain deeper insights into behavioural patterns and trends. This could include preparing data, building and training models, putting models into production, and monitoring.</p> <p><u>Machine Interactions</u>: Facilitating information sharing and citizen-government interactions by using chatbots and</p>				

Mandatory Requirements					
Item Number	Requirement	Section/Page in Supplier's Response	Met	Not Met	Comments
	<p>other techniques such as semantic analysis, natural language processing, speech recognition and rule based-pattern matching.</p> <p><u>Cognitive Automation:</u> Automating information-intensive tasks and supporting more efficient business processes. This could include AI applications to assist in or perform automated decision-making and robotic process automations.</p> <p>**Reference would include written description of the work completed and contact information.</p>				
	To qualify for Band 1 suppliers must demonstrate that they have delivered at least 1 successful Artificial Intelligence project as a prime contractor or subcontractor.				
	To qualify for Band 2 suppliers must demonstrate that they have delivered at least 3 successful Artificial Intelligence projects as a prime contractor or subcontractor.				
	To qualify for Band 3 suppliers must demonstrate that they have delivered at least 5 successful Artificial				

Mandatory Requirements					
Item Number	Requirement	Section/Page in Supplier's Response	Met	Not Met	Comments
	Intelligence projects as a prime contractor or subcontractor.				
M2	<p>The supplier must demonstrate that their team is qualified to deliver AI. Suppliers must clearly describe expertise and experience, and any other skill sets or qualifications* .</p> <p>*As AI is an emerging field qualifications could include a combination of education and or experience in the AI field. This could include at least one year of education and/or relevant experience in the domain of computing science, data analytics, machine learning, natural language processing, or predictive modelling.</p>				
M3	<p>The supplier must provide examples of how it addresses ethical* practices when delivering AI. This includes demonstrating experience in applying frameworks, methods, guidelines or assessment tools to test datasets and outcomes.</p> <p>*For purposes of AI, ethical practices which are transparent, respect procedural fairness, and demonstrate high-quality data practices. This includes, but is not limited to, testing for outcomes and biases and fair, comprehensive and inclusive data collection practices.</p>				

Annex 3: Terms and Conditions

The following clauses (Limitation of Liability and Intellectual Property) will be included in a new commodity group that will be posted through an amendment to this Invitation to Qualify. Moreover, adjustments to the clauses below could also be posted through an amendment.

1. **Limitation of Liability**

- 1.1 **Maximum Liability.** Supplier's entire liability for all claims related to the Contract will not exceed the amount paid by Canada under this Contract.
- 1.2 **Exclusion.** Neither party will be liable for loss of revenue or indirect, special, incidental, consequential, punitive, or exemplary damages, or damages for lost profits, revenues, business interruption, or loss of business information, even if the party knew they were possible or reasonably foreseeable.
- 1.3 **Exceptions.** These limitations of liability do not apply to violations of a party's Intellectual Property Rights by the other party or indemnification obligations.

2. **Intellectual Property**

- 2.1 Cloud Services Agreement—Supplier Ownership of Technology
 - 2.1.1 **Canada Content.** Canada retains all rights to any Canada Content, including all derivatives and cognitive insights that may be discovered from the use of artificial intelligence technology. Canada grants the Supplier a limited, revocable, non-exclusive, non-sub-licensable, non-transferrable license to host Canada Content solely in accordance with the terms of this Agreement. "Canada Content" means any data provided to supplier by Canada (or at its direction) to the Services.
 - 2.1.2 **Supplier Technology.** Supplier retains all right, title, and interest in and to the technology and all associated intellectual property rights. Supplier grants Canada a limited, revocable, non-exclusive, non-sub-licensable, non-transferrable license to access and use the Services solely in accordance with the terms of this Agreement.

2.2 License Agreement—Canada Ownership of Content, Supplier Ownership of Technology

2.2.1 Where Canada licenses software to be installed on Canadian government controlled computer platforms, the following terms may be used where the supplier licenses commercially available technology and retains ownership of the property. In this circumstance, Canada should ensure that it has license rights to any modifications made by the supplier and ownership right in modifications made by, or commissioned by Canada.

2.2.2 **Content.** Canada retains all rights to any Canada Content, including all derivatives and cognitive insights that may be discovered from the use of artificial intelligence technology.

"Canada Content" means any data provided to supplier by Canada (or at its direction) to the Services.

2.2.3 Technology

- A. **Retain Ownership of Pre-existing Intellectual Property.** Except for the rights granted in the License Grant of this agreement, each party will retain all interest in and ownership of its Intellectual Property existing prior to this agreement or developed outside the scope of this agreement.
- B. **Retain Ownership of Licensed Intellectual Property.** Supplier retains all interest in and ownership of the Licensed Intellectual Property, except for the rights granted to Canada under the License Grant section of this agreement.
- C. **Ownership of Modifications and New Intellectual Property**
 - (a) **Modifications by Supplier.** Supplier shall grant a non-exclusive and royalty-free license to Canada for any Modifications Supplier makes or other Intellectual Property Supplier develops during the Term and in connection with this agreement, for the remaining Term and under the same terms of this agreement.
 - (b) **Modifications by Canada**
 - (i) **Retain All Interest.** Canada will retain all interest in any independently-protectable (under patent, copyright, or other

law) Modifications Canada makes or other Intellectual Property Canada develops or commissions during the Term and in connection with this agreement.

- (ii) **No Effect on Supplier's Interests.** Canada's right, title, and interest to and in these Modifications made and other Intellectual Property develop during the Term and in connection with this agreement will not affect Supplier's exclusive interest in and ownership of the underlying Licensed Intellectual Property.

2.2.4 Definitions

- (a) **Intellectual Property.** "Intellectual Property" means any and all of the following in any jurisdiction throughout the world
 - (i) trademarks and service marks, including all applications and registrations, and the goodwill connected with the use of and symbolized by the foregoing,
 - (ii) copyrights, including all applications and registrations related to the foregoing,
 - (iii) trade secrets and confidential know-how,
 - (iv) patents and patent applications,
 - (v) websites and internet domain name registrations,
 - (vi) other intellectual property and related proprietary rights, interests and protections (including all rights to sue and recover and retain damages, costs and attorneys' fees for past, present, and future infringement, and any other rights relating to any of the foregoing).
- (b) **Modifications.** "Modifications" means any additions to, updates, improvements on, bug patches, new versions of, or other modifications to the Licensed Intellectual Property, made by either party during this agreement.

Annex 4: Competing for Subsequent Opportunities

Once the Source List is established, Canada will compete opportunities amongst the qualified suppliers. Below is a high level description of how the steps will work for this subsequent process:

Step 1: Solicitation

Pre-qualified suppliers will receive notifications of opportunity (further called “Solicitation”) which will be posted on Buy and Sell. Solicitation documents will also be sent directly to pre-qualified suppliers from the Contracting Authority by email.

Solicitations will stipulate the maximum amount to be awarded and will be categorized based on the following dollar values:

- a) Band 1 Work up to \$500K before taxes
 - b) Band 2 Work up to \$4M before taxes
 - c) Band 3 Work up to \$9M before taxes
- Supplier must clearly indicate at the time of their submission what bands they are interested in being evaluated against.
- Multiple contracts may be awarded amongst successful bids for each solicitation. For instance, a requirement under Band 2 could result in three contracts: \$2M + \$500K + \$1.5M.
- For solicitations under Bands 2 and 3, suppliers may be required to demonstrate the proposed functionality in a proof of concept as part of the step 2.
- In some cases, suppliers should be prepared to offer a sandbox environment.
- Canada reserves the right to request bidders consider working together where it views there is an added benefit.

Step 2: Engagement

Canada will host one engagement session (in person or virtual) where the lead government organization will be responsible for describing the desired outcome, the context, and the operating assumptions and constraints. For planning purposes, the government will aim to host this session between 5-10 calendar days from the date the solicitation is posted.

Following the engagement session, pre-qualified suppliers must self-identify interest to compete for the specific opportunity within 5 calendar days. This will be accomplished through a notification to the Contracting Authority by email.

A maximum of ten suppliers will be selected by the Canada, and invited to bid. Up to three suppliers will be selected by Canada and the remainder will be randomly selected.

Step 3: Bid Submissions

The selected suppliers will submit their bids in accordance with the instructions identified in the solicitation document.

Step 4: Bid Evaluations

- Bids will be evaluated in accordance with the solicitation document.
- Technical proposal will be evaluated by representatives of Canada and possibly independent third parties, including contractors.
- The basis of selection will be stipulated in the solicitation document.
- Canada may request oral presentations by the supplier to be given either in person or remotely as part of the technical evaluations.
- Canada reserves the right to request suppliers consider working together where it views there is an added benefit.

Opportunities procured under the Source List may be subject to security requirements. Each solicitation and/or contract will identify the security requirements that will apply.

Annex 5 – Important additional information, including Terms and Conditions

1. Integrity provisions

- 1.1 The *Ineligibility and Suspension Policy* (the “Policy”) in effect on the date the procurement vehicle is established, and all related Directives in effect on that date, are incorporated by reference into, and form a binding part of the procurement vehicle. The Supplier must comply with the Policy and Directives, which can be found at [*Ineligibility and Suspension Policy*](#).
- 1.2 Under the Policy, charges and convictions of certain offences against a Supplier, its affiliates or first tier subcontractors, and other circumstances, will or may result in a determination by Public Works and Government Services Canada (PWGSC) that the Supplier is ineligible to participate in any procurement activities conducted thereafter using this vehicle. The list of ineligible and suspended Suppliers is contained in PWGSC’s Integrity Database. The Policy describes how enquiries can be made regarding the ineligibility or suspension of Suppliers.
- 1.3 In addition to all other information required in the Invitation to Qualify, the Supplier must provide the following:
 - a. by the time stated in the Policy, all information required by the Policy described under the heading “Information to be Provided when Bidding, Contracting or Entering into a Real Property Agreement”; and
 - b. with its response, a complete list of all foreign criminal charges and convictions pertaining to itself, its affiliates and its proposed first tier subcontractors that, to the best of its knowledge and belief, may be similar to one of the listed offences in the Policy. The list of foreign criminal charges and convictions must be submitted using an Integrity Declaration Form, which can be found at [Declaration form for procurement](#).
- 1.4 Subject to subsection 1.5 of this Annex, by submitting a response to this Invitation to Qualify, the Supplier certifies that:
 - a. it has read and understands the [*Ineligibility and Suspension Policy*](#);
 - b. it understands that certain domestic and foreign criminal charges and convictions, and other circumstances, as described in the Policy, will or may result in a determination of ineligibility or suspension under the Policy;

- c. it is aware that Canada may request additional information, certifications, and validations from the Supplier or a third party for purposes of making a determination of ineligibility or suspension;
- d. it has provided with its response a complete list of all foreign criminal charges and convictions pertaining to itself, its affiliates and its proposed first tier subcontractors that, to the best of its knowledge and belief, may be similar to one of the listed offences in the Policy;
- e. none of the domestic criminal offences, and other circumstances, described in the Policy that will or may result in a determination of ineligibility or suspension, apply to it, its affiliates and its proposed first tier subcontractors; and
- f. it is not aware of a determination of ineligibility or suspension issued by PWGSC that applies to it.

1.5 Where a Supplier is unable to provide any of the certifications required by subsection 1.4 of this Annex, it must submit with its response a completed Integrity Declaration Form, which can be found at [Declaration form for procurement](#).

1.6 Canada will declare non-responsive any response in respect of which the information requested is incomplete or inaccurate, or in respect of which the information contained in a certification or declaration is found by Canada to be false or misleading in any respect. If Canada establishes after issuance of the pre-qualified list that the Supplier provided a false or misleading certification or declaration, Canada may remove the Supplier from the pre-qualified list terminate for default any resulting contracts.

2 Responses will remain open for acceptance for a period of not less than 60 days from the closing date of the ITQ, unless specified otherwise in the ITQ. Canada reserves the right to seek an extension of the response validity period from all responsive suppliers in writing, within a minimum of 3 days before the end of the response validity period. If the extension is accepted by all responsive suppliers, Canada will continue with the evaluation of the responses. If the extension is not accepted by all responsive suppliers, Canada will, at its sole discretion, either continue with the evaluation of the responses of those who have accepted the extension or cancel the ITQ.

3 Responses and supporting information may be submitted in either English or French.

4 Responses received on or before the stipulated ITQ closing date and time will become the property of Canada and will not be returned. All responses will be

treated as confidential, subject to the provisions of the [Access to Information Act](#) (R.S., 1985, c. A-1), and the [Privacy Act](#) (R.S., 1985, c. P-21).

5 Unless specified otherwise in the ITQ, Canada will evaluate only the documentation provided with the response. Canada will not evaluate information such as references to Web site addresses where additional information can be found, or technical manuals or brochures not submitted with the response.

6 A response cannot be assigned or transferred in whole or in part.

7 Late responses

7.1 PWGSC will return or delete responses delivered after the stipulated ITQ closing date and time, unless they qualify as a delayed response as described in section 9.1 of this Annex.

7.2 For late responses submitted using means other than the Canada Post Corporation's epost Connect service, the physical response will be returned.

7.3 For responses submitted electronically, the late responses will be deleted. As an example, responses submitted using Canada Post Corporation's epost Connect service, conversations initiated by the Bid Receiving Unit via the epost Connect service pertaining to a late response will be deleted. Records will be kept documenting the transaction history of all late responses submitted using epost Connect.

8 Transmission by epost Connect

8.1 epost Connect

- a. Unless specified otherwise in the ITQ, responses must be submitted by using the [epost Connect service](#) provided by Canada Post Corporation.

PWGSC, National Capital Region: The only acceptable email address to use with epost Connect for responses to ITQ s issued by PWGSC headquarters is: tpsgc.dgareceptiondessoumissions-abbidreceiving.pwgsc@tpsgc-pwgsc.gc.ca, or if applicable, the email address identified in the ITQ.

- b. To submit a response using epost Connect service, the Supplier must either:

- i. send directly its response only to specified PWGSC Bid Receiving Unit using its own licensing agreement for epost Connect provided by Canada Post Corporation; or
 - ii. send as early as possible, and in any case, at least six business days prior to the ITQ closing date and time, (in order to ensure a response), an email that includes the ITQ number to the specified PWGSC Bid Receiving Unit requesting to open an epost Connect conversation. Requests to open an epost Connect conversation received after that time may not be answered.
- c. If the Supplier sends an email requesting epost Connect service to the specified Bid Receiving Unit in the ITQ, an officer of the Bid Receiving Unit will then initiate an epost Connect conversation. The epost Connect conversation will create an email notification from Canada Post Corporation prompting the Supplier to access and action the message within the conversation. The Supplier will then be able to transmit its response afterward at any time prior to the ITQ closing date and time.
- d. If the Supplier is using its own licensing agreement to send its response, the Supplier must keep the epost Connect conversation open until at least 30 business days after the ITQ closing date and time
- e. The ITQ number should be identified in the epost Connect message field of all electronic transfers.
- f. It should be noted that the use of epost Connect service requires a Canadian mailing address. Should a supplier not have a Canadian mailing address, they may use the Bid Receiving Unit address specified in the ITQ in order to register for the epost Connect service.
- g. For responses transmitted by epost Connect service, Canada will not be responsible for any failure attributable to the transmission or receipt of the response including, but not limited to, the following:
 - i. receipt of garbled, corrupted or incomplete response;
 - ii. availability or condition of the epost Connect service;
 - iii. incompatibility between the sending and receiving equipment;
 - iv. delay in transmission or receipt of the response;
 - v. failure of the Supplier to properly identify the response;
 - vi. illegibility of the response;
 - vii. security of response data; or
 - viii. inability to create an electronic conversation through the epost Connect service.

- h. A response transmitted by epost Connect service constitutes the formal response of the Supplier and must be submitted in accordance with section 1.3.2 of Annex 1.

9 Delayed responses

- 9.1 A response delivered to the specified Bid Receiving Unit after the ITQ closing date and time but before the Source List is established may be considered, provided the supplier can prove the delay is due solely to a delay in the epost Connect service provided by CPC system that is acceptable to PWGSC is a CPC epost Connect service date and time record indicated in the epost Connect conversation history that clearly indicates that the response was sent before the ITQ closing date and time.

10 Rejection of a response

- 10.1.1 Canada may reject a response where any of the following circumstances is present:

- a. the Supplier is subject to a Vendor Performance Corrective Measure, under the Vendor Performance Corrective Measure Policy, which renders the Supplier ineligible to submit a response for the requirement;
- b. an employee, or subcontractor included as part of the response, is subject to a Vendor Performance Corrective Measure, under the Vendor Performance Corrective Measure Policy, which would render that employee or subcontractor ineligible to submit a response for the requirement, or the portion of the requirement the employee or subcontractor is to perform;
- c. the Supplier is bankrupt or where, for whatever reason, its activities are rendered inoperable for an extended period;
- d. evidence, satisfactory to Canada, of fraud, bribery, fraudulent misrepresentation or failure to comply with any law protecting individuals against any manner of discrimination, has been received with respect to the Supplier, any of its employees or any subcontractor included as part of the response;
- e. evidence satisfactory to Canada that based on past conduct or behavior, the Supplier, a subcontractor or a person who is to perform the Work is unsuitable or has conducted himself/herself improperly;

- f. with respect to current or previous transactions with the Government of Canada:
 - i. Canada has exercised its contractual remedies of suspension or termination for default with respect to a contract with the Supplier, any of its employees or any subcontractor included as part of the response;
 - ii. Canada determines that the Supplier's performance on other contracts, including the efficiency and workmanship as well as the extent to which the Supplier performed the Work in accordance with contractual clauses and conditions, is sufficiently poor to jeopardize the successful completion of any requirement to be bid on.
- g. Where Canada intends to reject a response pursuant to a provision of section of this Annex, Canada will so inform the Supplier and provide the Supplier 10 days within which to make representations, before making a final decision on the response rejection.
- h. Canada reserves the right to apply additional scrutiny, in particular, when multiple responses are received in response to an invitation to qualify from a single supplier or a joint venture. Canada reserves the right to:
 - i. reject any or all of the responses submitted by a single supplier or joint venture if their inclusion in the evaluation has the effect of prejudicing the integrity and fairness of the process, or;
 - ii. reject any or all of the responses submitted by a single supplier or joint venture if their inclusion in the procurement process would distort the solicitation evaluation, and would cause a result that would not reasonably have been expected under prevailing market conditions and/or would not provide good value to Canada.

11 Response costs

No payment will be made for costs incurred in the preparation and submission of a response in response to the ITQ. Costs associated with preparing and submitting a response as well as any costs incurred by the Supplier associated with the evaluation of the response, are the sole responsibility of the Supplier.

12 Conduct of evaluation

12.1 In conducting its evaluation of the responses, Canada may, but will have no obligation to, do the following:

- a. seek clarification or verification from suppliers regarding any or all information provided by them with respect to the ITQ;
- b. contact any or all references supplied by suppliers to verify and validate any information submitted by them;
- c. request, before issuance of any pre-qualified list, specific information with respect to suppliers' legal status;
- d. conduct a survey of suppliers' facilities and/or examine their technical, managerial, and financial capabilities to determine if they are adequate to meet the requirements of the ITQ;
- e. verify any information provided by suppliers through independent research, use of any government resources or by contacting third parties;
- f. interview, at the sole costs of suppliers, any supplier and/or any or all of the resources proposed by suppliers to fulfill the requirement of the ITQ.

12.2 Suppliers will have the number of days specified in the request by Canada's Representative to comply with any request related to any of the above items. Failure to comply with the request may result in the response being declared non-responsive.

13 Joint venture

13.1 A joint venture is an association of two or more parties who combine their money, property, knowledge, expertise or other resources in a single joint business enterprise, sometimes referred as a consortium, to submit a response together on a requirement. Suppliers who submit a response as a joint venture must indicate clearly that it is a joint venture and provide the following information:

- a. the name of each member of the joint venture;
- b. the Procurement Business Number of each member of the joint venture;
- c. the name of the representative of the joint venture, i.e. the member chosen by the other members to act on their behalf, if applicable;
- d. the name of the joint venture, if applicable.

13.2 If the information is not clearly provided in the response, the Supplier must provide the information on request from Canada.

- 13.3 The response must be signed by all the members of the joint venture unless one member has been appointed to act on behalf of all members of the joint venture. Canada may, at any time, require each member of the joint venture to confirm that the representative has been appointed with full authority to act as its representative for the purposes of the ITQ and any resulting pre-qualified list.

14 Conflict of interest – unfair advantage

- 14.1 In order to protect the integrity of the procurement process, suppliers are advised that Canada may reject a response in the following circumstances:

- a. if the Supplier, any of its subcontractors, any of their respective employees or former employees was involved in any manner in the preparation of the ITQ or in any situation of conflict of interest or appearance of conflict of interest;
- b. if the Supplier, any of its subcontractors, any of their respective employees or former employees had access to information related to the ITQ that was not available to other suppliers and that would, in Canada's opinion, give or appear to give the Supplier an unfair advantage.

- 14.2 The experience acquired by a supplier who is providing or has provided the goods and services described in the ITQ (or similar goods or services) will not, in itself, be considered by Canada as conferring an unfair advantage or creating a conflict of interest. This supplier remains however subject to the criteria established above.

- 14.3 Where Canada intends to reject a response under this section, Canada will inform the Supplier and provide the Supplier an opportunity to make representations before making a final decision. Suppliers who are in doubt about a particular situation should contact Canada's representative before the ITQ closing date. By submitting a response, the Supplier represents that it does not consider itself to be in conflict of interest nor to have an unfair advantage. The Supplier acknowledges that it is within Canada's sole discretion to determine whether a conflict of interest, unfair advantage or an appearance of conflict of interest or unfair advantage exists.

ARTIFICIAL INTELLIGENCE

Invitation to Qualify

WHAT WE HEARD

INTRODUCTION

From July 2018 to September 2018 the Government of Canada has engaged with the industry to better understand how it can leverage the benefits of artificial intelligence (AI) to help improve service delivery and increase capabilities within its organizations. In addition to gaining better understanding of the market, the Government of Canada was specifically interested in getting industry perspectives on:

- a. areas and opportunities for AI within the Government of Canada;
- b. risks associated with AI and mitigation strategies for reducing those risks; and
- c. parameters that the Government of Canada should consider in determining scope and whether AI application is appropriate for achieving desired business objectives;

The aim of this consultation was to acquire the information needed for the Government to develop a new method of supply to acquire AI-enabled services, solutions and products. This included more open dialogue between industry and the Government, reducing the cost to compete for government tenders, and making opportunities more accessible to Small and Medium Enterprises (SME's). Canada wishes to thank everyone that contributed to this process.

CONSULTATION PROCESS

- A RFI for AI Services, Solutions and Products was published on June 28th and will be closing October 29th, 2018.
<https://buyandsell.gc.ca/procurement-data/tender-notice/PW-EE-017-33657>
- An Industry Day was held on August 17th, 2018.
- One-on-one meetings were conducted with industry between September 4th and September 11th.

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SUMMARY OF KEY THEMES

AI Market Overview

AI projects are often not “standalones” and can employ many different elements in an overall workflow or business process. Interdependencies exist across AI market segments. A single vendor or solution may not meet all business requirements.

There is general acceptance that the success of AI initiatives is facilitated through open access to the AI ecosystem. There is current interest in the community of vendors to collaborate and partner when building solutions.

Many AI advancements are made by start-ups and SMEs and there are new entrants every day, competing and creating an exponentially increasing AI market.

AI Opportunities for the GC

Artificial Intelligence (AI) applications and their potential impact on the public sector are wide ranging. After consultation with industry, Canada has identified the following AI categories, potential business requirements and uses cases:

Insights and Predictive Modelling

There is an opportunity to better understand how to leverage such techniques as machine learning and natural language processes to predict outcomes and gain deeper insights into behavioural patterns and trends. This includes, but is not limited to, preparing data, building and training models, putting models into production, and monitoring them as they are used. Some potential applications:

- Using AI to analyze and predict outcomes and effectiveness, undertake comparative analysis and inform policy decisions;
- Talent Analytics: to match individuals to suitable jobs, gauge and optimize productivity or for performance assessment and management; and
- Financial Management: to analyze patterns in accounting, cost forecasting and resource mix allocations.

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Machine Interactions

There is an opportunity to better leverage digital channels and facilitate interactions between citizens and government. This could include exploring such techniques as semantic analysis, natural language processing, speech recognition and rule based-pattern matching to see how they may improve interactions with users and government operations. Some potential applications:

- Chatbots and virtual agents to help answer questions, provide step-by-step instructions and improve the way information is communications;
- Smart routing to determine best communication channel and right resources required; and
- Search optimization and targeted content distribution

Cognitive Automation

There is an opportunity to automate lower-value tasks to maximize the value of employees and to support more efficient business processes. AI can be leveraged to further automate repetitive tasks and information-intensive processes. This could include, for example, applications to assist in or perform automated decision-making and robotic process automations.

- Automated Decision Systems to process and review application information, classify cases in terms of risk and priority, make recommendations and/or render decisions;
- Automated content generation to summarize and compare notes, write backgrounders or meeting scenario notes; and
- Speech, audio and visual recognition capabilities.

Procurement

- AI is not an end: it is used to solve a business issue or problem.
- GC should focus on business problems and expected outcomes, while industry should focus on proposing solutions that will address GC requirements.
- Procurement vehicles should provide flexibility in the solution, rather than rigid technical requirements. Good requirements allowing vendors to really understand the problem will help with successful partnerships.

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- The AI industry is rapidly evolving. As such, the procurement vehicles should allow for adapting to a shifting marketplace.
- Engaging with industry in the spirit of co-creation and co-development is a good approach for AI procurement.
- Alternatives to the traditional RFP route should be considered. Some ideas include proof of concepts, demos and hackathons.
- AI projects are often defined as they evolve, in an iterative way. Flexibilities to allow for off-ramps and pivots in the procurement process will help facilitate successful AI implementations.
- Vendors could be evaluated on depth and breadth of their experience.
- Vendors need to have demonstrated ability to collaborate and partner.
- Proof of concepts may not be accessible to smaller businesses.
- As most advancements are made by start-ups and SMEs, the procurement vehicle should not penalize early stage companies.
- Evaluation criteria should focus on demonstrating measurable successes in implementing AI solution and AI talent within a company.
- Maturity of processes and governance are possible indicators of a vendor's capacity to deliver on substantial projects.

Data

- Successful AI implementations hinge on data quality and data / information availability.
- Data can be within existing government databases or can come from external sources such as social media sites and other public facing platforms.
- Strong data practices is essential for successful AI deployment.
- Responsibility for data rests with the clients.

Terms and Conditions

- In the context of AI, two core areas that need to be considered carefully are Intellectual Property (IP) and Limitation of Liability.
- Generally, there is an agreement in industry that unlimited liability provisions will not be accepted by industry. Liability should be proportionate to the amount of money spent by clients.

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- Vendors agree that it is important to protect their IP as part of their competitive advantage, however, it is recognized that trade secrets can complicate the interests of government for transparency and understanding how an AI system works.
- Some algorithms are open, some are patented and available to the degree described in the patent, and some are trade secrets. Regardless of the IP protection of the algorithms and techniques, there should be a commitment to ensure that the AI itself is transparent and can meet ethical and legal requirements.

Security

- Security for AI systems will be similar to other types of systems from a network, access and data at rest perspectives.
- Some of the security challenges specific to AI systems could relate to introduction of biases or planting information in training datasets.
- Hops and connection points will need to be protected for intrusions and could multiply in AI solutions.

Social procurement

- Supporting social procurement could continue to be done through “set-aside” programs.
- Some vendors have diversity programs in place: Canada could encourage social procurement by providing points to suppliers having such programs.
- Canada could have measure criteria defining social procurement elements.

Costing

- Pricing models vary and generally depend on a number of factors which include the consumption model, be it on premise, cloud-based, defined service model or full solution model.

Ethical AI

- Data privacy, transparency and the ability to trace all sources of data that feed into a decision model are seen as critical aspect of ethical AI.

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- Some of the biggest challenges with machine learning are 1) bias and 2) errors in classification. It is critical to ensure that resources and mechanisms are in place to evaluate and manipulate the data that is fed into AI systems.
- AI needs to be designed reflecting ethical principles.
- AI systems should be fair, reliable, private and secure.
- Companies should be expected to use ethical frameworks, guidelines or assessment tools to test datasets and outcomes.