



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

Health Canada / Santé Canada  
200, Eglantine Driveway  
Tunney's Pasture  
Ottawa Ontario K1A 0K9  
**Attn:** Anna MacIntosh  
**Email:** [anna.macintosh2@canada.ca](mailto:anna.macintosh2@canada.ca)

**REQUEST FOR PROPOSAL  
DEMANDE DE PROPOSITION**

**Proposal To:** Health Canada

We hereby offer to sell to Her Majesty the Queen in right of Canada, in accordance with the terms and conditions set out herein, referred to herein or attached hereto, the goods, services, and construction listed herein and on any attached sheets at the price(s) set out thereof.

**Proposition à:** Santé Canada

Nous offrons par la présente de vendre à Sa Majesté la Reine du chef du Canada, aux conditions énoncées ou incluses par référence dans la présente et aux annexes ci-jointes, les biens, services et construction énumérés ici sur toute feuille ci-annexées, au(x) prix indiqué(s).

**Instructions : See Herein  
Instructions: Voir aux présentes**

**Issuing Office – Bureau de distribution**  
Health Canada / Santé Canada  
200, Eglantine Driveway  
Tunney's Pasture  
Ottawa Ontario K1A 0K9

<b>Title – Sujet</b> Cost-benefit analysis of new requirements for labelling tobacco product packages and labelling on cigarettes	
<b>Solicitation No. – N° de l'invitation</b> HC1000203178	<b>Date</b> December 21 <sup>th</sup> , 2018
<b>Solicitation Closes at – L'invitation prend fin à</b> 14:00 on / le January 29th, 2019	<b>Time Zone Fuseau horaire</b> EST
<b>F.O.B. - F.A.B.</b> Plant-Usine: <input type="checkbox"/> Destination: <input checked="" type="checkbox"/> Other-Autre: <input type="checkbox"/>	
<b>Address Enquiries to: - Adresser toutes questions à :</b> Name: Anna MacIntosh Email: <a href="mailto:anna.macintosh2@canada.ca">anna.macintosh2@canada.ca</a> Telephone – téléphone : 613-941-2103	
<b>Destination – of Goods, Services, and Construction: Destination – des biens, services et construction :</b> See Herein – Voir ici	
<b>Delivery required - Livraison exigée</b> See Herein – Voir ici	
<b>Vendor/firm Name and address Raison sociale et adresse du fournisseur/de l'entrepreneur</b>	
<b>Facsimile No. – N° de télécopieur :</b> <b>Telephone No. – N° de téléphone :</b>	
<b>Name and title of person authorized to sign on behalf of Vendor/firm Nom et titre de la personne autorisée à signer au nom du fournisseur/de l'entrepreneur</b>	
(type or print)/ (taper ou écrire en caractères d'imprimerie)	
<b>Signature</b>	<b>Date</b>



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## **PART 1 - GENERAL INFORMATION**

### **1.1 Introduction**

The bid solicitation is divided into seven parts plus attachments and annexes, as follows:

- Part 1 General Information: provides a general description of the requirement;
- Part 2 Bidder Instructions: provides the instructions, clauses and conditions applicable to the bid solicitation;
- Part 3 Bid Preparation Instructions: provides Bidders with instructions on how to prepare their bid;
- Part 4 Evaluation Procedures and Basis of Selection: indicates how the evaluation will be conducted, the evaluation criteria that must be addressed in the bid, and the basis of selection;
- Part 5 Certifications and Additional Information: includes the certifications and additional information to be provided;
- Part 6 Security, Financial and Other Requirements: includes specific requirements that must be addressed by Bidders; and
- Part 7 Resulting Contract Clauses: includes the clauses and conditions that will apply to any resulting contract.

The Annexes include the Statement of Work, the Basis of Payment, Security Requirements and any other annexes.

### **1.2 Summary**

- 1.2.1 This bid solicitation is being issued to satisfy the requirement for Health Canada for the provisions of Professional Services to obtain the services of a Contractor to undertake a cost-benefit analysis of changes to regulatory requirements for health-related labelling of tobacco product packages and any new regulatory requirements for health-related labelling of tobacco products as defined in Annex "A". It is intended to result in the award of one (1) contract for a period of three (3) years commencing from the date of contract award to March 31<sup>st</sup>, 2022.
- 1.2.2 The requirement is subject to the provisions of the North American Free Trade Agreement (NAFTA) and the Canadian Free Trade Agreement (CFTA).

### **1.3 Debriefings**

Bidders may request a debriefing on the results of the bid solicitation process. Bidders should make the request to the Contracting Authority within 15 working days from receipt of the results of the bid solicitation process. The debriefing may be in writing, by telephone or in person.



## **PART 2 - BIDDER INSTRUCTIONS**

### **2.1 Standard Instructions, Clauses and Conditions**

All instructions, clauses and conditions identified in the bid solicitation by number, date and title are set out in the [Standard Acquisition Clauses and Conditions Manual](https://buyandsell.gc.ca/policy-and-guidelines/standard-acquisition-clauses-and-conditions-manual) (<https://buyandsell.gc.ca/policy-and-guidelines/standard-acquisition-clauses-and-conditions-manual>) issued by Public Works and Government Services Canada.

Bidders who submit a bid agree to be bound by the instructions, clauses and conditions of the bid solicitation and accept the clauses and conditions of the resulting contract.

The 2003 (2018-05-22) Standard Instructions - Goods or Services - Competitive Requirements, are incorporated by reference into and form part of the bid solicitation.

### **2.2 Submission of Bids**

2.2.1 Bids must be submitted only to the Contracting Authority by the date, time and place indicated on page 1 of the bid solicitation.

2.2.2 Due to the nature of the bid solicitation, bids transmitted by facsimile will not be accepted.

### **2.3 Former Public Servant**

Contracts awarded to former public servants (FPS) in receipt of a pension or of a lump sum payment must bear the closest public scrutiny, and reflect fairness in the spending of public funds. In order to comply with Treasury Board policies and directives on contracts awarded to FPSs, bidders must provide the information required below before contract award. If the answer to the questions and, as applicable the information required have not been received by the time the evaluation of bids is completed, Canada will inform the Bidder of a time frame within which to provide the information. Failure to comply with Canada's request and meet the requirement within the prescribed time frame will render the bid non-responsive.

#### **Definitions**

For the purposes of this clause, "former public servant" is any former member of a department as defined in the [Financial Administration Act](#), R.S., 1985, c. F-11, a former member of the Canadian Armed Forces or a former member of the Royal Canadian Mounted Police. A former public servant may be:

- a. an individual;
- b. an individual who has incorporated;
- c. a partnership made of former public servants; or
- d. a sole proprietorship or entity where the affected individual has a controlling or major interest in the entity.

"lump sum payment period" means the period measured in weeks of salary, for which payment has been made to facilitate the transition to retirement or to other employment as a result of the implementation of various programs to reduce the size of the Public Service. The lump sum payment period does not include the period of severance pay, which is measured in a like manner.



"pension" means a pension or annual allowance paid under the [Public Service Superannuation Act](#) (PSSA), R.S., 1985, c. P-36, and any increases paid pursuant to the [Supplementary Retirement Benefits Act](#), R.S., 1985, c. S-24 as it affects the PSSA. It does not include pensions payable pursuant to the [Canadian Forces Superannuation Act](#), R.S., 1985, c. C-17, the [Defence Services Pension Continuation Act](#), 1970, c. D-3, the [Royal Canadian Mounted Police Pension Continuation Act](#), 1970, c. R-10, and the [Royal Canadian Mounted Police Superannuation Act](#), R.S., 1985, c. R-11, the [Members of Parliament Retiring Allowances Act](#), R.S. 1985, c. M-5, and that portion of pension payable to the [Canada Pension Plan Act](#), R.S., 1985, c. C-8.

### Former Public Servant in Receipt of a Pension

As per the above definitions, is the Bidder a FPS in receipt of a pension? **Yes ( ) No ( )**

If so, the Bidder must provide the following information, for all FPSs in receipt of a pension, as applicable:

- a. name of former public servant;
- b. date of termination of employment or retirement from the Public Service.

By providing this information, Bidders agree that the successful Bidder's status, with respect to being a former public servant in receipt of a pension, will be reported on departmental websites as part of the published proactive disclosure reports in accordance with [Contracting Policy Notice: 2012-2](#) and the [Guidelines on the Proactive Disclosure of Contracts](#).

### Work Force Adjustment Directive

Is the Bidder a FPS who received a lump sum payment pursuant to the terms of the Work Force Adjustment Directive? **Yes ( ) No ( )**

If so, the Bidder must provide the following information:

- a. name of former public servant;
- b. conditions of the lump sum payment incentive;
- c. date of termination of employment;
- d. amount of lump sum payment;
- e. rate of pay on which lump sum payment is based;
- f. period of lump sum payment including start date, end date and number of weeks;
- g. number and amount (professional fees) of other contracts subject to the restrictions of a work force adjustment program.

For all contracts awarded during the lump sum payment period, the total amount of fees that may be paid to a FPS who received a lump sum payment is \$5,000, including Applicable Taxes.

By providing information on its status, with respect to being a former public servant in receipt of a [Public Service Superannuation Act](#) (PSSA) pension, the Contractor has agreed that this information will be reported on departmental websites as part of the published proactive disclosure reports, in accordance with [Contracting Policy Notice: 2012-2](#) of the Treasury Board Secretariat of Canada.



## 2.4 Enquiries - Bid Solicitation

All enquiries must be submitted in writing to the Contracting Authority no later than five (5) calendar days before the bid closing date. Enquiries received after that time may not be answered.

Bidders should reference as accurately as possible the numbered item of the bid solicitation to which the enquiry relates. Care should be taken by Bidders to explain each question in sufficient detail in order to enable Canada to provide an accurate answer. Technical enquiries that are of a proprietary nature must be clearly marked "proprietary" at each relevant item. Items identified as "proprietary" will be treated as such except where Canada determines that the enquiry is not of a proprietary nature. Canada may edit the question(s) or may request that the Bidder do so, so that the proprietary nature of the question(s) is eliminated and the enquiry can be answered to all Bidders. Enquiries not submitted in a form that can be distributed to all Bidders may not be answered by Canada.

## 2.5 Applicable Laws

Any resulting contract must be interpreted and governed, and the relations between the parties determined, by the laws in force in Ontario.

Bidders may, at their discretion, substitute the applicable laws of a Canadian province or territory of their choice without affecting the validity of their bid, by deleting the name of the Canadian province or territory specified and inserting the name of the Canadian province or territory of their choice. If no change is made, it acknowledges that the applicable laws specified are acceptable to the Bidders.

## 2.6 Basis for Canada's Ownership of Intellectual Property

The department of Health Canada has determined that any intellectual property rights arising from the performance of the Work under the resulting contract will belong to Canada, for the following reasons, as set out in the [Policy on Title to Intellectual Property Arising Under Crown Procurement Contracts](#):

4.0 Where the main purpose of the Crown procurement contract, or the deliverables contracted for, is:

4.1 To generate knowledge and information for public dissemination (but not necessarily free dissemination).

## PART 3 - BID PREPARATION INSTRUCTIONS

### 3.1 Bid Preparation Instructions

You are invited to submit electronic copies in either official language (English or French) of both the Technical and Financial Proposals. The RFP Reference Number and the title of the Requirement must be in the subject line of your email and your proposal must be structured in the following manner:

**Section I:** one electronic copy of the Technical Bid;  
**Section II:** one electronic copy of the Financial Bid; and  
**Section III:** one electronic copy of the Certifications

No price or cost information should appear in any other section of the bid. Failure to provide the Financial Bid in a separate attachment will render a bid non-responsive.

If the email including attachments is larger than 20mb, please submit your bid in separate emails to not exceed Health Canada's server limitation.



Canada requests that bidders follow the format instructions described below in the preparation of their bid:

- (a) use 8.5 x 11 inch (216 mm x 279 mm) paper;
- (b) use a numbering system that corresponds to the bid solicitation.

In April 2006, Canada issued a policy directing federal departments and agencies to take the necessary steps to incorporate environmental considerations into the procurement process [Policy on Green Procurement](https://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=32573) (<https://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=32573>). To assist Canada in reaching its objectives, bidders should:

- 1) use 8.5 x 11 inch (216 mm x 279 mm) paper containing fibre certified as originating from a sustainably-managed forest and containing minimum 30% recycled content; and
- 2) use an environmentally-preferable format including black and white printing instead of colour printing, printing double sided/duplex, using staples or clips instead of cerlox, duotangs or binders.

### **3.2 Section I: Technical Bid**

In their technical bid, Bidders should demonstrate their understanding of the requirements contained in the bid solicitation and explain how they will meet these requirements. Bidders should demonstrate their capability and describe their approach in a thorough, concise and clear manner for carrying out the work.

The technical bid should address clearly and in sufficient depth the points that are subject to the evaluation criteria against which the bid will be evaluated. Simply repeating the statement contained in the bid solicitation is not sufficient. In order to facilitate the evaluation of the bid, Canada requests that Bidders address and present topics in the order of the evaluation criteria under the same headings. To avoid duplication, Bidders may refer to different sections of their bids by identifying the specific paragraph and page number where the subject topic has already been addressed.

### **3.3 Section II: Financial Bid**

3.3.1 Bidders must submit their financial bid in accordance with the Pricing Schedule in Attachment 1.

3.3.2 Exchange Rate Fluctuation

[C3011T \(2013-11-06\)](#), Exchange Rate Fluctuation

### **3.4 Section III: Certifications**

Bidders must submit the certifications and additional information required under Part 5.

## **PART 4 - EVALUATION PROCEDURES AND BASIS OF SELECTION**

### **4.1 Evaluation Procedures**

- (a) Bids will be assessed in accordance with the entire requirement of the bid solicitation including the technical, financial and evaluation criteria.
- (b) An evaluation team composed of representatives of Canada will evaluate the bids.





#### **4.1.1 Technical Evaluation**

Mandatory and point rated technical evaluation criteria are included in Attachment 1 of Part 4.

#### **4.1.2 Financial Evaluation**

SACC Manual Clause [A0220T](#) (2014-06-26), Evaluation of price - Bid

For bid evaluation and Contractor selection purposes only, the evaluated price of a bid will be determined in accordance with the Pricing Schedule detailed in Attachment 1.

#### **4.2 Basis of Selection**

##### **4.2.1 Basis of Selection - Highest Combined Rating of Technical Merit (70%) and Price (30%)**

1. To be declared responsive, a bid must:

- a. comply with all the requirements of the bid solicitation; and
- b. meet all mandatory criteria; and
- c. obtain the required minimum of 16 points overall for the technical evaluation criteria which are subject to point rating.  
The rating is performed on a scale of 24 points.

2. Bids not meeting (a) or (b) or (c) will be declared non-responsive.

3. The selection will be based on the highest responsive combined rating of technical merit and price. The ratio will be 70% for the technical merit and 30% for the price.

4. To establish the technical merit score, the overall technical score for each responsive bid will be determined as follows: total number of points obtained / maximum number of points available multiplied by the ratio of 70%.

5. To establish the pricing score, each responsive bid will be prorated against the lowest evaluated price and the ratio of 30%.

6. For each responsive bid, the technical merit score and the pricing score will be added to determine its combined rating.

7. Neither the responsive bid obtaining the highest technical score nor the one with the lowest evaluated price will necessarily be accepted. The responsive bid with the highest combined rating of technical merit and price will be recommended for award of a contract.



The table below illustrates an example where all three bids are responsive and the selection of the contractor is determined by a 70/30 ratio of technical merit and price, respectively. The total available points equals 135 and the lowest evaluated price is \$45,000 (45).

<b>Basis of Selection - Highest Combined Rating of Technical Merit (70%) and Price (30%)</b>				
		<b>Bidder 1</b>	<b>Bidder 2</b>	<b>Bidder 3</b>
<b>Overall Technical Score</b>		<b>115/135</b>	<b>89/135</b>	<b>92/135</b>
<b>Bid Evaluated Price</b>		<b>\$55,000</b>	<b>\$50,000</b>	<b>\$45,000</b>
<b>Calculations</b>	Technical Merit Score	115/135 x 70 = 59.63	89/135 x 70 = 46.15	92/135 x 70 = 47.70
	Pricing Score	45/55 x 30 = 24.54	45/50 x 30 = 27.00	45/45 x 30 = 30.00
Combined Rating		84.17	73.15	77.70
Overall Rating		1 <sup>st</sup>	3 <sup>rd</sup>	2 <sup>nd</sup>

## **PART 5 – CERTIFICATIONS AND ADDITIONAL INFORMATION**

Bidders must provide the required certifications and additional information to be awarded a contract.

The certifications provided by Bidders to Canada are subject to verification by Canada at all times. Unless specified otherwise, Canada will declare a bid non-responsive, or will declare a contractor in default if any certification made by the Bidder is found to be untrue, whether made knowingly or unknowingly, during the bid evaluation period or during the contract period.

The Contracting Authority will have the right to ask for additional information to verify the Bidder's certifications. Failure to comply and to cooperate with any request or requirement imposed by the Contracting Authority will render the bid non-responsive or constitute a default under the Contract.

### **5.1 Certifications Required with the Bid**

Bidders must submit the following duly completed certifications as part of their bid.

#### **5.1.1 Integrity Provisions - Declaration of Convicted Offences**

In accordance with the Integrity Provisions of the Standard Instructions, all bidders must provide with their bid, **if applicable**, the Integrity declaration form available on the [Forms for the Integrity Regime](http://www.tpsgc-pwgsc.gc.ca/ci-if/declaration-eng.html) website (<http://www.tpsgc-pwgsc.gc.ca/ci-if/declaration-eng.html>), to be given further consideration in the procurement process.

### **5.2 Certifications Precedent to Contract Award and Additional Information**

The certifications and additional information listed below should be submitted with the bid but may be submitted afterwards. If any of these required certifications or additional information is not completed and submitted as requested, the Contracting Authority will inform the Bidder of a time frame within which to provide the information. Failure to provide the certifications or the additional information listed below within the time frame specified will render the bid non-responsive.



## 5.2.1 Integrity Provisions – Required Documentation

In accordance with the section titled Information to be provided when bidding, contracting or entering into a real procurement agreement of the [Ineligibility and Suspension Policy](http://www.tpsgc-pwgsc.gc.ca/ci-if/politique-policy-eng.html) (<http://www.tpsgc-pwgsc.gc.ca/ci-if/politique-policy-eng.html>), the Bidder must provide the required documentation, as applicable, to be given further consideration in the procurement process.

## 5.2.2 Additional Certifications Precedent to Contract Award

### 5.2.2.1 Status and Availability of Resources

SACC Manual clause [A3005T](#) (2010-08-16) Status and Availability of Resources

### 5.2.2.2 Education and Experience

SACC Manual clause [A3010T](#) (2010-08-16) Education and Experience

## PART 6 - SECURITY, FINANCIAL AND OTHER REQUIREMENTS

### 6.1 Security Requirements

This RFP does not contain a Security Requirement.

## PART 7 - RESULTING CONTRACT CLAUSES

The following clauses and conditions apply to and form part of any contract resulting from the bid solicitation.

### 7.1 Statement of Work

The Contractor must perform the Work in accordance with the Statement of Work at Annex "A".

#### 7.1.1 Optional Goods and/or Services

The Contracting Authority may exercise the option at any time before the expiry of the Contract by sending a written notice to the Contractor.

### 7.2 Standard Clauses and Conditions

All clauses and conditions identified in the Contract by number, date and title are set out in the [Standard Acquisition Clauses and Conditions Manual](https://buyandsell.gc.ca/policy-and-guidelines/standard-acquisition-clauses-and-conditions-manual) (<https://buyandsell.gc.ca/policy-and-guidelines/standard-acquisition-clauses-and-conditions-manual>) issued by Public Works and Government Services Canada.

#### 7.2.1 General Conditions

2035 (2018-06-21), General Conditions - Higher Complexity - Services, apply to and form part of the Contract.



## 7.2.2 Supplemental General Conditions

4007 (2010-08-16) Canada to Own Intellectual Property Rights in Foreground Information, apply to and form part of the Contract.

## 7.3 Security Requirements

There is no security requirement applicable to the Contract.

## 7.4 Term of Contract

### 7.4.1 Period of the Contract

The period of the Contract is from date of Contract to March 31, 2022 inclusive.

## 7.5 Authorities

### 7.5.1 Contracting Authority

The Contracting Authority for the Contract is:

Name: Anna MacIntosh  
Title: Senior Contracts and Procurement Officer  
Health Canada  
200 Eglantine Driveway, Tunney's Pasture Ottawa, ON

Telephone: 613-941-2103  
E-mail address: [anna.macintosh2@canada.ca](mailto:anna.macintosh2@canada.ca)

The Contracting Authority is responsible for the management of the Contract and any changes to the Contract must be authorized in writing by the Contracting Authority. The Contractor must not perform work in excess of or outside the scope of the Contract based on verbal or written requests or instructions from anybody other than the Contracting Authority.

### 7.5.2 Project Authority [To be provided at time of Contract award]

The Project Authority for the Contract is:

Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Organization: \_\_\_\_\_  
Address: \_\_\_\_\_  
  
Telephone: \_\_\_\_-\_\_\_\_-\_\_\_\_\_  
Facsimile: \_\_\_\_-\_\_\_\_-\_\_\_\_\_  
E-mail address: \_\_\_\_\_

The Project Authority is the representative of the department or agency for whom the Work is being carried out under the Contract and is responsible for all matters concerning the technical content of the Work under the Contract. Technical matters may be discussed with the Project Authority; however, the Project Authority has no authority to authorize changes to the scope of the Work. Changes to the scope of the Work can only be made through a contract amendment issued by the Contracting Authority.



### 7.5.3 Contractor's Representative [To be provided at time of Contract award]

Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Organization: \_\_\_\_\_  
Address: \_\_\_\_\_  
  
Telephone: \_\_\_\_-\_\_\_\_-\_\_\_\_  
Facsimile: \_\_\_\_-\_\_\_\_-\_\_\_\_  
E-mail address: \_\_\_\_\_

**Note to Bidders:** The Contractor's Representative, Contracting Authority, Technical Authority and contact information will be identified at the time of contract award.

### 7.6 Proactive Disclosure of Contracts with Former Public Servants

By providing information on its status, with respect to being a former public servant in receipt of a [Public Service Superannuation Act](#) (PSSA) pension, the Contractor has agreed that this information will be reported on departmental websites as part of the published proactive disclosure reports, in accordance with [Contracting Policy Notice: 2012-2](#) of the Treasury Board Secretariat of Canada.

### 7.7 Payment

#### 7.7.1 Basis of Payment

##### 7.7.1.1 Basis of Payment – Firm Price

For the Work described in **Tasks, Activities, Deliverables and Milestones** - Section 2.1 of the Statement of Work in Annex A and in Annexe B:

In consideration of the Contractor satisfactorily completing its obligations under the Contract, the Contractor will be paid a firm price for a cost of \$\_\_\_\_\_ (*insert the amount at contract award*). Customs duties are included and Applicable Taxes are extra.

For the firm price portion of the Work only, Canada will not pay the Contractor for any design changes, modifications or interpretations of the Work unless they have been approved, in writing, by the Contracting Authority before their incorporation into the Work.

#### 7.7.2 Method of Payment

##### 7.7.2.1 Method of Payment – Milestone Payments

Canada will make milestone payments in accordance with the Schedule of Milestones detailed in the Contract and the payment provisions of the Contract when all work associated with the milestone and as applicable any deliverable required has been completed and accepted by Canada.



### 7.7.2.1.2 Schedule of Milestones

The schedule of milestones for which payments will be made in accordance with the Contract is as follows:

Schedule of Milestones	Delivery date	Firm amount
#1. INDUSTRY PROFILE	3 WEEKS AFTER CONTRACT AWARD	(10%) \$ _____
#2. COST ANALYSIS	4 WEEKS AFTER CONTRACT AWARD	(20%) \$ _____
#3. BENEFITS ANALYSIS	STEP 1 10 WEEKS AFTER CONTRACT AWARD  STEP 2 12 WEEKS AFTER CONTRACT AWARD	(15%) \$ _____
#4. DETERMINING THE NET PRESENT VALUE (NPV)	10 WEEKS AFTER CONTRACT AWARD	(30%) \$ _____
#5. FINAL REPORT	16 WEEKS AFTER CONTRACT AWARD	(15%) \$ _____
#6. LABELLING TOBACCO PRODUCTS	20 - 22 WEEKS AFTER CONTRACT AWARD	(10%) \$ _____
<b>Subtotal</b> (excluding GST/HST)		\$ _____
<b>Estimated applicable taxes</b>		\$ _____
<b>TOTAL</b>		\$ _____

### 7.8 Invoicing Instructions

1. The Contractor must submit invoices in accordance with the section entitled "Invoice Submission" of the general conditions. Invoices cannot be submitted until all work identified in the invoice is completed.

Each invoice must be supported by:

- a. a copy of time sheets to support the time claimed;
  - b. a copy of the invoices, receipts, vouchers for all direct expenses, and all travel and living expenses;
  - c. a copy of the monthly progress report.
2. Invoices must be distributed as follows:

[P2P.East.Invoices-Factures.Est@hc-sc.gc.ca](mailto:P2P.East.Invoices-Factures.Est@hc-sc.gc.ca)



## 7.9 Certifications and Additional Information

### 7.9.1 Compliance

Unless specified otherwise, the continuous compliance with the certifications provided by the Contractor in its bid or precedent to contract award, and the ongoing cooperation in providing additional information are conditions of the Contract and failure to comply will constitute the Contractor in default. Certifications are subject to verification by Canada during the entire period of the Contract.

### 7.10 Applicable Laws

The Contract must be interpreted and governed, and the relations between the parties determined, by the laws in force in Ontario.

### 7.11 Priority of Documents

If there is a discrepancy between the wording of any documents that appear on the list, the wording of the document that first appears on the list has priority over the wording of any document that subsequently appears on the list.

- (a) the Articles of Agreement;
- (b) the supplemental general conditions: 4007 (2010-08-16) Canada to Own Intellectual Property Rights in Foreground Information;
- (c) the general conditions 2035 (2018-06-21); Higher Complexity – Services;
- (d) Annex A, Statement of Work;
- (e) Annex B, Basis of Payment;
- (f) the Contractor's bid dated \_\_\_\_\_, (*insert date of bid*)

### 7.12 Insurance

G1005C (2016-01-28) Insurance – No Specific Requirement



## ANNEX "A"

### STATEMENT OF WORK

#### SCOPE

##### 1.1 Title

Cost-benefit analysis of potential changes to current regulatory requirements for health-related labelling of tobacco product packages and new regulatory requirements for health-related labelling on tobacco products (i.e. cigarettes, heated-tobacco products)

##### 1.2 Introduction

The Government of Canada has committed to make changes to the health-related labelling of tobacco packages and require product and package labelling for those products not yet subject to labelling requirements. Tobacco product packages considered for modified labelling requirements may include cigarettes, little cigars<sup>1</sup>, cigars, pipe tobacco, bidis, kreteks, and smokeless tobacco, while products packages that would be subject to new requirements may include water-pipe tobacco (also known as narguileh and shisha) and blunt wraps. On May 31, 2018, the Minister of Health announced at the Canadian Public Health Association's Tobacco Control Forum that the department was looking at the potential of requiring health-related labels on tobacco products themselves. At this time, the department is looking at the health-related label requirements for cigarettes. The goal would be to increase awareness of the health hazards and health effects associated with tobacco use. Under the authority of the *Tobacco and Vaping Products Act*, new labelling regulations would replace the existing requirements set out in the *Tobacco Products Labelling Regulations (Cigarettes and Little Cigars)* (2011) and the *Tobacco Products Information Regulations* (2000).

##### 1.3 Estimated Level of Effort

The estimated level of effort for this requirement is 120 person days over approximately 22 weeks. This effort includes an optional task for unforeseen revisions estimated effort of up to 20 person days per year over approximately 10 weeks for up to a 3 year period from the start of the contract.

The optional task indicated above is in reference to the optional tasks and deliverables identified in Section 2.1.

##### 1.4 Objective of the Requirement

The objective of this requirement is to obtain the services of a Contractor to undertake a cost-benefit analysis of changes to regulatory requirements for health-related labelling of tobacco product packages and any new regulatory requirements for health-related labelling of tobacco products. The services will be required for a period of three (3) years commencing from the date of contract award to March 31<sup>st</sup>, 2022.

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<sup>1</sup> As defined in the *Tobacco Product and Vaping Act (S.C. 2018)*, little cigar means a roll or tubular construction that (a) is intended for smoking; (b) contains a filler composed of natural or reconstituted tobacco; (c) has a wrapper, or a binder and a wrapper, composed of natural or reconstituted tobacco; and (d) has a cigarette filter or weighs no more than 1.4 g, excluding the weight of any mouthpiece or tip. It includes any tobacco product that is prescribed to be a little cigar. (petit cigar)





## 1.5 Background and Specific Scope of the Requirement

The Tobacco Control Directorate (TCD) is responsible for the administration of the *Tobacco Product and Vaping Act*, which regulates the manufacture, sale, labeling and promotion of tobacco products in order to protect Canadians, especially young people, from the health consequences of tobacco use. Some of the activities undertaken by the organization include developing regulations under the *Tobacco Product and Vaping Act* and monitoring industry compliance with the *Tobacco Product and Vaping Act* and Regulations.

Under the authority of the *Tobacco Product and Vaping Act*, the 2011 *Tobacco Products Labelling Regulations - Cigarettes and Little Cigars (TPLR-CLC)* and the 2000 *Tobacco Products Information Regulations (TPIR)* require a Health Warning (HW) covering 75% of the front and back of cigarette and little cigar packages, and covering up to 50% of the front of packages of most of the other tobacco products, with some exceptions. Also, both regulations require that a Health Information Message (HIM) be displayed on the inside of packages. While Toxic Emissions Information (TEI) and/or Toxic Constituents Information (TCI) must be displayed on every tobacco product package regulated by the TPIR, a text-based Toxic Emissions Statement (TS) must be displayed on the side of cigarette and little cigar packages. Additionally, there is a pan-Canadian toll free quitline number and web address on every package of cigarettes and little cigars to inform tobacco users about the availability of smoking cessation services.

As part of this work, the TCD would like to study the impact of changing the health-related labelling requirements on tobacco products.

TCD requires the services of a specialist to undertake a cost-benefit analysis on the impact of amending and adding new health-related labelling requirements for tobacco products.

New labelling requirements could include:

### **New health-related labels**

- Introducing new health-related labels (new HW, HIM and TS) for all tobacco products (cigarettes, little cigars, cigars, pipe tobacco, bidis, kreteks and smokeless tobacco) currently regulated through the TPLR and TPIR.
- Extending health-related tobacco package labelling to tobacco products not currently subject to existing tobacco labelling regulations including waterpipe tobacco, blunt wraps, heated-tobacco products other tobacco product and brought into the Canadian market (as defined in the *Tobacco Product and Vaping Act*).
- Extending health-related labelling to appear on the cigarette itself.

### **Rotation**

- Enabling a rotation of three (3) sets health-related labels every 12 months for Cigarettes, Little Cigars, Cigarette Tobacco, Leaf Tobacco, Tobacco Sticks and Kreteks
- Enabling a rotation of a number of sets health-related labels every 12 months for Cigars, Pipe Tobacco, Smokeless, Waterpipe Tobacco, Bidis, Blunt wraps, Heated-Tobacco Products and any other tobacco product in the Canadian market

### **Health-related label size**

- Increasing the size of labels on products currently regulated under the TPIR, while maintaining 75% of the front and back of cigarette and little cigar packages (as required under the TPLR).
- Introducing a minimum surface area for health-related labels on all tobacco containing product packages.

### **Placement**

- Requiring HW, HIM and TS to be placed on specific surfaces of tobacco pack types.
- Specifying how labelling elements will be linked thematically on a single pack.



## Printing

- Defining label specifications such as printing requirements (paper thickness, glossiness etc.).

## 2.0 REQUIREMENTS

### 2.1 Tasks, Activities, Deliverables and Milestones

The Contractor must undertake the following tasks and produce the identified deliverables within the identified timeline:

Tasks	Deliverables	Estimated Schedule	Payment Schedule
<p><b>Task 1. Review and Update to the detailed Work Plan and Methodology</b></p> <p>Via a teleconference or webinar with HC, the Contractor must review the scope of the project, the work plan and methodology and update it based on the Contract Award date from the version proposed in the bid.</p> <p>HC will provide access to available public and non-confidential background documents that may be relevant to expand the research for model refinement and validation.</p>	<p>Kick Off Teleconference Meeting</p> <p>Background Information</p> <p>Revised Work Plan and Methodology</p>	<p>As soon after contract award as possible</p> <p>2 weeks after Contract Award</p>	N/A
<p><b>Task 2: Industry Profile</b></p> <p>The Contractor must develop an industry profile characterizing the industry, businesses, or other entities that new labelling requirements would affect. It will be necessary for the Contractor to develop a thorough understanding of the tobacco products manufacturing sector in Canada. Where possible, the Contractor will rely on existing analyses of the industry. If necessary, the Contractor can consult the tobacco industry profile developed as part of the cost-benefit analyses of the proposal for Plain and Standardized Packaging (PSP), the Tobacco Products Labelling Regulations (TPLR), and the Tobacco Products Information Regulations (TPIR) and update the analysis to reflect recent changes in the industry, highlighting major trends in output and employment. Key data sources will include agricultural production information from Statistics Canada; output and employment measures for the manufacturing sector from Statistics Canada; and earlier studies of the industry.</p>	<p>The Industry Profile is to include, at a minimum, a report on the Canadian tobacco industry describing current stakeholders and suppliers, market segmentation, market shares and including a description of areas and issues relevant to the analysis of the proposed changes to labelling.</p>	<p>3 weeks after Contract Award</p>	10%



<p>In particular, the Contractor should obtain information on, but not limited to, the following:</p> <ul style="list-style-type: none"><li>• Number and size of manufacturers and importers (small, medium and large)</li><li>• Estimate of sales of tobacco products in Canada by product type (including cigarettes, little cigars, cigars, pipe tobacco, smokeless tobacco and roll-your-own/loose leaf tobacco). Estimate the market share of waterpipe tobacco, as well as estimates for other tobacco products including blunt wraps, and heated-tobacco products.</li><li>• Percentage of tobacco products manufactured in Canada and those imported from other countries.</li></ul>			
<p><b>Task 3: Cost Analysis</b></p> <p>The cost must include the industry's cost of compliance, government administrative costs and any other cost imposed directly or indirectly by the proposal. The cost estimate must include the actual or estimated compliance cost for major industry stakeholders grouped by product (e.g. cigarettes, little cigars, cigars, pipe tobacco, smokeless tobacco, waterpipe tobacco, blunt wraps, heated tobacco products and any other products that contain tobacco) and by function in supply chain (e.g. suppliers, manufacturers, importers, retailer etc.). The Contractor must ensure to properly identify and isolate the change in the basic cost structure of the typical firm in each stakeholder category to accurately account for the incremental costs due to the proposal. If necessary, the Contractor will undertake key informant interviews with government representatives, experts and printing suppliers in the industry.</p> <p>In particular, the cost analysis must include the following elements as applicable in the cost estimation of new labelling requirements:</p>	<p>The Contractor must provide a cost analysis of the aggregate cost of implementation of the proposed changes to labelling.</p>	<p>4 weeks after Contract Award (conceptual framework)</p> <p>8 weeks after Contract Award (annualized cost estimates)</p>	<p>20%</p>



<ul style="list-style-type: none"><li>• Capital costs (if any) for the purchase of new machinery and equipment in order to comply with the proposed requirements.</li><li>• Changes in annual operating costs.</li><li>• Net present value of the change in the cost of producing one package of cigarettes (or other product)</li><li>• Anticipated change in product pricing, if any.</li><li>• Reductions in sales, measured both in terms of reduced quantity of tobacco products sold, and reduced sales revenue. Reductions in sales should be differentiated by product category, and if possible by manufacturer and by region.</li><li>• Change in profits to tobacco manufacturers, wholesalers and retailers,</li><li>• Identification of manufacturer/importer and retailer/distributor packaging and/or product inventory obsolescence during transition periods.</li><li>• Inclusion of any additional government administrative/or enforcement costs.</li><li>• Increase in retail transaction costs; and</li></ul> <p>An assessment of any potential cost savings from proposed labelling requirements.</p> <p>Conceptual Framework</p> <p>Annualized cost estimates: The cost analysis report must show the annual baseline and expected incremental cost estimates by key stakeholder group (e.g. manufacturers, importers, suppliers, consumers) and/or market segment (e.g. cigarette, cigars/pipe tobacco, smokeless, waterpipe tobacco, other tobacco products etc.) over the policy horizon.</p>			
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<b>Task 4: Benefits Analysis</b>			15%
<p><b>Step 1: Determining an appropriate Conceptual Framework (establishing the impact of the proposed labelling changes)</b></p> <p>The purpose of this task is to research, document and establish a theoretical framework that can support the assumption that the proposed changes to labelling, in conjunction with other regulatory directives, regulations and programs will support the Federal Tobacco Control Strategy (FTCS) to reduce tobacco-related death and disease among Canadians and will help reduce health or safety risks related to vaping products.</p> <p>Instead of directly attributing the benefits of each regulation as a one-to-one reduction in tobacco use prevalence, the framework should assume that the benefits of labelling requirements, along with other regulations, policies and programs, will support and contribute to the overall benefits that are expected to be achieved by the FTCS.</p> <p>The Contractor must undertake this analysis of benefits of the proposed change in tobacco product labelling through the lens of the <i>Tobacco Product and Vaping Act's</i> overarching purpose, to control and to lower the incidence of tobacco use in Canada as well as support the FTCS. The contractor must begin by establishing a conceptual framework that can support the assumptions about expected societal benefits of the proposed regulations for tobacco labelling.</p> <p>It is important that an estimation of beneficial impacts of the proposal is well grounded in theory, is defensible and supported by empirical data.</p>	<p>A conceptual framework for understanding/analyzing the impacts of new tobacco labelling requirements on consumer behaviour. The conceptual framework should support the hypothesis/assumption that exposure to labelling is linked to an increased awareness of the health hazards and effects of tobacco use and a decline in smoking risks.</p>	<p>10 weeks after contract award</p>	
<p><b>Step 2: Assessing incremental benefits of new labelling:</b></p> <p>The Contractor must include the following activities as supported by the framework developed in Step 1:</p> <ul style="list-style-type: none"><li>• Identify the historical risk exposure profile posed by tobacco use in Canada and an analysis of the key</li></ul>	<p>Annualized benefits: Quantified expected annual benefits of the proposed changes and how it affects the benefits of the FTCS overall. Options for analysis may include, but are not limited to, a</p>	<p>12 weeks after contract award</p>	



<p>drivers.</p> <ul style="list-style-type: none"><li>• Estimate the health benefits of a reduction in the number of Canadians who try smoking and become regular smokers over the next 10 years and quantify in terms of tobacco related disease cases prevented and premature deaths prevented.</li><li>• Quantify in monetary terms the socio-economic value of these health improvements.</li></ul> <p>Take into consideration the current legal environment, including previous court decisions.</p>	<p>value of information analysis or a breakeven analysis.</p>		
<p><b>Task 5: Determining the Net Present Value (NPV)</b></p> <p>The Contractor must conduct sensitivity analyses, distributional impact analyses and complete the Accounting Statement to include:</p> <ul style="list-style-type: none"><li>• Determining the NPV of the proposed changes in tobacco products labelling and testing the sensitivity of the estimate to plausible changes in key underlying assumptions (e.g., costs, benefits, discount rates etc.);</li><li>• Performing distributional analyses of the costs and/or benefits (e.g., by industry sector, geographic, socio-economic, cultural);</li><li>• Summarizing the results of the analyses in an accounting statement showing the distribution of monetized costs and benefits by major stakeholder and the distribution of benefits in non-monetary terms; and</li><li>• Preparing a summary of the Cost-Benefit Analysis (CBA) (see Section 1.4) which briefly describes the approach and the estimates presented in the accounting statement. The summary will be used in the development of the Regulatory Impact Analysis</li></ul>	<p>The Contractor must prepare an Accounting Statement including:</p> <ul style="list-style-type: none"><li>• NPV determination</li><li>• Distributional analyses of the cost/benefits</li><li>• Summary of the results</li><li>• Summary of the CBA</li></ul>	<p>14 weeks after contract award</p>	<p>30%</p>



Statement (RIAS).			
<b>Task 6: Final Report</b> The Final report must include the technical detail. The HC Project authority will provide to the contractor a sample of the format and style of the report that they would require to be used no later than within 4 weeks of Contract Award.	The Contractor must prepare a draft and final report incorporating results of all analyses conducted complete with bibliography.	16 -18 weeks after contract award	15%
<b>Task 7: Labelling Tobacco Products</b> The Contractor must apply the Work Plan and Methodology as described in Task 1 to a cost analysis, benefit analysis and determination of the Net Present Value to a requirement to label the tobacco product.	The Contractor must prepare a draft and final report incorporating the results of all analyses conducted complete with bibliography for the labelling of tobacco products.	20 - 22 weeks after contract award	10%
<b>Task 8: Unforeseen Revisions (Optional Task)</b> The Contractor must update the final report as requested, based on unforeseen revisions that may arise throughout the process of the contract, after the final report is submitted and/or during the period between Canada Gazette, <i>Part I</i> and Canada Gazette, <i>Part II</i> .	Changes that may be needed to improve the final report.	Dates to be determined, if needed.	

## 2.2 OPTIONAL SERVICES:

The Contractor grants to Canada the irrevocable option to acquire the optional tasks and deliverables identified in section 2.1, Task 8 above, of the contract under the same terms and conditions and at the prices and/or rates stated in the resulting Contract. These optional tasks and deliverables may only be exercised by the Contracting Authority by notice in writing and will be evidenced, for administrative purposes only, through a formal contract amendment.

## 2.3 Specifications and Standards

All reports must be written in Microsoft Office Word with Charts converted to a viewable format (pdf). The electronic file used to prepare the charts and diagrams (such as Excel and MS Visio) must be provided. The Contractor must submit in electronic format all cleaned datasets and spreadsheets (unweighted and weighted) used for the model. The Final Report is to include literature references and a list of subject-matter experts consulted.



All findings must be evidence based, and represent an objective critical analysis that is presented in a concise, logical manner.

## **2.4 Technical, Operational and Organizational Environment**

The Contractor is expected to use their own working environment and appropriate software.

## **2.5 Method and Source of Acceptance**

Health Canada will maintain regular contact by e-mail or teleconference, on a schedule agreed to by both parties and not less than once a month, with the Contractor to ensure that tasks, activities, deliverables and milestones are carried-out to the satisfaction of the Project Authority.

All deliverables shall be submitted to Health Canada's Project Authority within the timelines stipulated for review and approval. Each deliverable will be submitted as a draft to the HC's Project Authority for their review and approval. The Project Authority will consult with HC staff and provide comments to the Contractor on each draft. A final version of each deliverable should be provided to HC within five (5) working days of the comments received from Health Canada, unless otherwise agreed to by both parties.

All deliverables and services rendered under this Contract are subject to inspection by the HC Project Authority, who will consult with other HC staff during the inspection. The HC Project Authority or delegate (s) shall review all deliverables for completeness and to ensure that deliverables meet the requirements. Should any deliverables not be to the satisfaction of the HC Project Authority, as submitted, the HC Project Authority shall have the right to reject or require correction of any deliverable that does not satisfy the stated requirements before HC authorizes payment to the Contractor. A milestone will not be achieved until all requested changes are implemented to the satisfaction of the HC Project Authority.

With the exception of the final report, all deliverables must be provided in electronic copies only unless otherwise requested by the Health Canada (HC) Project Authority and agreed to by all parties.

Three (3) copies of the final report (incorporating all previously submitted and accepted deliverables) must be submitted to HC along with an electronic copy and all data files on an electronic storage device (such as a USB) in a format compatible with systems at HC to complete the project.

All final deliverables are to be provided to the HC Project Authority within the timelines stipulated.

All analyses conducted as part of the Contract will be consistent with TBS Guidelines on conducting Cost Benefit Analysis for regulatory purposes, unless explicitly directed otherwise by the Project Authority. A copy of this Guideline is available at <http://tbs-sct.gc.ca/rtrap-parfa/analys/analys-eng.pdf>.

Should the Contractor at any time be unable to provide the services described within the Contract, the Contractor shall be responsible for providing replacement services and/or personnel at the same cost and which shall be of similar or greater ability and attainment, and who shall be acceptable to the HC Project Authority.

In advance of the date upon which replacement resources and/or service delivery means are to commence, the Contractor shall notify in writing to the HC Project Authority of the reason for the unavailability of the resource(s) and/or services named in the Contract.

The Contractor shall then provide to the HC Project Authority the name(s) and/or an outline of the qualifications and capabilities of the proposed replacement resources/services, and their security screening level if applicable.

Under no circumstances shall the Contractor allow performance of replacement services that have not been authorized by the HC Project Authority.





## **2.6 Reporting Requirements**

See section 2.5

## **2.7 Project Management Control Procedures**

The HC Project Authority shall ensure that the work will be brought in on time and on budget, and be of an acceptable quality. The project authority shall meet biweekly or as needed with the Contractor to ensure progress is being achieved according to timeframes and to identify and address any emerging issues and:

- obtain progress reports (verbal or written) on a biweekly basis or another schedule agreed to by both parties;
- discuss potential challenges and solutions in a collaborative manner;
- remind the Contractor to submit milestone deliverables by the date indicated for each milestone;
- ensure that deliverables and invoices are submitted on time;
- any limitations the Contractor may experience.

Unless otherwise indicated, all reports and other documents and deliverables submitted to HC shall be prepared using common business software compatible with Microsoft's Office Suite, or follow web compatibility if applicable for online deliverables. HC shall not convert or otherwise modify documents received before viewing them. Deliverables that cannot be readily accessed will be rejected and returned for reformatting.

## **2.8 Change Management Procedures**

Health Canada does not anticipate any changes to the requirements detailed in this Statement of Work (SOW). However, if changes do arise they must be done in writing by the HC Project Authority, and a written Contract amendment must be prepared to reflect these changes in advance of the work being undertaken by the Contracting Authority.

## **2.9 Ownership of Intellectual Property**

The Crown will own the Intellectual Property emanating from this work. The Crown will have the option to make the results of the report public, to distribute internally or to give the results to a third party for their own use and or publication.

## **3.0 OTHER TERMS AND CONDITIONS OF THE SOW**

### **3.1 Authorities**

The Departmental Representative (or delegated representative) is the Health Canada Contracting Authority and is responsible for the management of any Contract resulting from this SOW. Any changes to the Contract must be authorized in writing by the Departmental Representative. The Contractor is not to perform work in excess of or outside the scope of this Contract based on verbal or written requests or instructions from any government personnel other than the aforementioned officer.

The Project Authority (or delegated representative) is responsible for all matters concerning the technical content of the Work under the Contract. Any proposed changes to the scope of the Work are to be



discussed with the Project Authority, but any resulting changes can only be confirmed by a Contract Amendment issued by the Departmental Representative.

### **3.2 Health Canada Obligations**

Health Canada Project Authority shall provide the following:

- Ensure that the appropriate subject matter experts from within HC are available to the Contractor to discuss and provide content, source, and/or public reference material such as surveillance data results or previous regulatory initiatives, as well as to facilitate cooperation with other HC representatives as required;
- Provide the Contractor with specific program related supporting documentation such as past cost-benefit analysis conducted to support tobacco regulations [i.e. CBA for the PSP (2017), TPLR (2011) and TPIR (2000)] and any relevant public and non-confidential information in Health Canada's possession to support the Contractor to complete identified tasks and deliverables;
- Provide the contractor with two Supreme Court of Canada decisions: (1) Canada (Attorney General) v JTI-Macdonald Corp., 2007 SCC 30; and (2) RJR-MacDonald Inc. v. Canada (Attorney General) [1995] 3 SCR. 199. This is to ensure that the cost benefit analysis takes into account decisions regarding the various measures Health Canada has put in place to prohibit and regulate the promotion and packaging of tobacco products.
- Provide comments on all submitted deliverables within the agreed timeframes;
- Provide the Contractor with both physical and electronic Health Canada delivery addresses, to which deliverables are to be submitted.

### **3.3 Contractor's Obligations**

In addition to the requirements specified under Article 2.0, the Contractor shall:

- Inform the HC Project Authority Coordinator as soon as possible should anything arise impeding the progress of the project as planned;
- Participate in teleconferences, as needed.
- Use own equipment for performance of SOW

### **3.4 Location of Work, Work site and Delivery Point**

All work, including presentations in the form of teleconference or webinar to Health Canada, will be conducted at the Contractor's site.

Any Contract resulting from this RFP will be interpreted and governed by the laws of the Province of Ontario.

Without affecting the validity of its bid, the Bidder may, at its discretion, substitute the applicable laws of a Canadian province or territory of its choice by deleting the Canadian province or territory specified and inserting the Canadian province or territory of its choice. If no change is made, the Bidder acknowledges that the applicable law specified is acceptable.

Due to existing workload and deadlines, all personnel assigned to any Contract resulting from this RFP must be ready to work in close and frequent contact with the Departmental Representative and other departmental personnel.



### **3.5 Language of Work**

All written and oral communication will be in English. The deliverables will be presented in English.

### **3.6 Insurance Requirements**

The Contractor, sub-contractors and their employees assigned to the performance of any contract resulting from this RFP must obtain and maintain an appropriate level of professional liability insurance coverage.

Any insurance secured is to the benefit and protection of the Contractor and will not be deemed to release or diminish its liability in any manner including as may be referenced elsewhere by the provisions of this Contract.

### **3.7 Security Requirements**

There is no security requirement applicable to the Contract.

### **3.8 Travel and Living**

There is no travel associated with this requirement.

## **4.0 PROJECT SCHEDULE**

### **4.1 Expected Start and Completion Dates**

The services of the Contractor will be required for approximately 5 months commencing upon contract award to March 31<sup>st</sup>, 2022. The anticipated final completion date of this project is March 31<sup>st</sup>, 2022.

### **4.2 OPTION TO AMEND THE CONTRACT:**

As stated in section 2.1 above, the Contractor may be required to update the final report based on unforeseen revisions that may arise throughout the contract. Should this deliverable be required the Contractor grants to Health Canada the irrevocable option to extend the term of the Contract under the same conditions. The Contractor agrees that, during the extended period of the Contract, it will be paid in accordance with the applicable provisions as set out in the Basis of Payment.

Health Canada may exercise this option at any time by sending a written notice to the Contractor before the Contract expiry date. The option may only be exercised by the Contracting Authority, and will be evidenced for administrative purposes only, through a contract amendment.

### **4.3 Project Schedule**

The Project Schedule is identified in Article 2.1.

## **5.0 REQUIRED RESOURCES OR TYPES OF ROLES TO BE PERFORMED**

The project will require a designated person, Project Lead, who will monitor and manage the entire project, as well as a Research Team who has the experience appropriate to the nature of the work both



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with experience in the fields of applied health economics and risk assessments in public sector regulations.

## **6.0 APPLICABLE DOCUMENTS AND GLOSSARY**

### **6.1 Relevant Terms and Acronyms**

FTCS – Federal Tobacco Control Strategy

HC – Health Canada

HW – Health Warning

HIM – Health Information Message

TS – Toxic Statement

WHO – World Health Organisation



## ANNEX "B"

### BASIS OF PAYMENT

During the period of the Contract, for work performed in accordance with the Contract, the Contractor will be paid as specified below.

#### 1.0 Schedule of Milestones:

The schedule of milestones for which payments will be made in accordance with the Contract is as follows:

Schedule of Milestones	Delivery date	Firm amount
#1. INDUSTRY PROFILE	3 WEEKS AFTER CONTRACT AWARD	(10%) \$ _____
#2. COST ANALYSIS	4 WEEKS AFTER CONTRACT AWARD	(20%) \$ _____
#3. BENEFITS ANALYSIS	STEP 1 10 WEEKS AFTER CONTRACT AWARD  STEP 2 12 WEEKS AFTER CONTRACT AWARD	(15%) \$ _____
#4. DETERMINING THE NET PRESENT VALUE (NPV)	10 WEEKS AFTER CONTRACT AWARD	(30%) \$ _____
#5. FINAL REPORT	16 WEEKS AFTER CONTRACT AWARD	(15%) \$ _____
#6. LABELLING TOBACCO PRODUCTS	20 - 22 weeks after contract award	(10%) \$ _____
<b>Subtotal</b> (excluding GST/HST)		\$ _____
<b>Estimated applicable taxes</b>		\$ _____
	<b>TOTAL</b>	\$ _____



## 2.0 Additional Services for Unforeseen Revisions

Should the contractor be requested to update the final report based on unforeseen revisions that may arise throughout the period of the contract, the contractor will be paid in accordance with the following firm, all-inclusive rates. These rates include overhead and profit but do not include GST and HST.

<b>Labour resources</b>	<b>FIRM ALL-INCLUSIVE PER DIEM RATE (in CAD \$)</b>	<b>LEVEL OF SERVICES (number of days)</b>	<b>TOTAL PRICE (in Cdn \$)</b>
Project Lead (name)			\$ _____
Resource #2 (name, labour category)			\$ _____
Resource #3 (name, labour category)			\$ _____
Other resource (name, labour category)			\$ _____
<b>Subtotal (excluding GST/HST):</b>			<b>\$ _____</b>
<b>Estimated applicable taxes (GST or HST)</b>			<b>\$ _____</b>
<b>Total Price including GST/HST</b>			<b>\$ _____</b>



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## **ANNEX "C"**

### **SECURITY REQUIREMENTS CHECK LIST**

No security clearance required. Information which is to be used in the development of the Contracted product as reference material or otherwise made available to the Contractor must be unclassified material and considered to be releasable to the public by HC/PHAC and/or The Government of Canada.

No Protected or Classified information is to be made available to the Contractor, used in the production of the Contracted product, or produced as a result of this Contract.

The Contractor will be escorted by an employee or Commissionaire at all times if visiting Government of Canada facilities.



## ATTACHMENT 1 PRICING SCHEDULE

1.0 The Bidder must complete this pricing schedule and include it in its financial bid.

2.0 The rates specified below, when quoted by the Bidder, include any of the following expenses that may need to be incurred to satisfy the terms of any contract that may result from its bid:

- a) all travel and living expenses for work performed within the National Capital Region (NCR). The NCR is defined in the National Capital Act, R.S.C. 1985, c. N-4, S.2. The National Capital Act is available on the Justice Website: <http://laws-lois.justice.gc.ca/eng/acts/N-4/>;
- b) any travel expenses for travel between the Contractor's place of business and the NCR; and
- c) any travel and living expenses for the relocation of resources to satisfy the terms of any resulting contract. These expenses cannot be charged directly and separately from the professional fees to any contract that may result from the bid solicitation.

### 3.0 Professional Services

#### 3.1 Milestones

The schedule of milestones for which payments will be made in accordance with the Contract is as follows:

Schedule of Milestones	Delivery date	Firm amount
#1. INDUSTRY PROFILE	3 WEEKS AFTER CONTRACT AWARD	(10%) \$ _____
#2. COST ANALYSIS	4 WEEKS AFTER CONTRACT AWARD	(20%) \$ _____
#3. BENEFITS ANALYSIS	STEP 1 10 WEEKS AFTER CONTRACT AWARD	(15%) \$ _____
	STEP 2 12 WEEKS AFTER CONTRACT AWARD	
#4. DETERMINING THE NET PRESENT VALUE (NPV)	10 WEEKS AFTER CONTRACT AWARD	(30%) \$ _____
#5. FINAL REPORT	16 WEEKS AFTER CONTRACT AWARD	(15%) \$ _____
#6. LABELLING TOBACCO PRODUCTS	20 - 22 WEEKS AFTER CONTRACT AWARD	(10%) \$ _____
<b>EVALUATED PRICE Subtotal</b> (excluding GST/HST)		\$ _____
<b>Estimated applicable taxes</b>		\$ _____
<b>TOTAL</b>		<b>\$ _____</b>





The Financial Bid must contain a detailed breakdown of the total firm price attained above, by major task, using the table below:

The contractor may add additional lines to the table below.

<b>Labour resources</b>	<b>FIRM ALL-INCLUSIVE PER DIEM RATE (in CAD \$)</b>	<b>LEVEL OF SERVICES (number of days)</b>	<b>TOTAL PRICE (in Cdn \$)</b>
Project Lead (name)			\$ _____
Resource #2 (name, labour category)			\$ _____
Resource #3 (name, labour category)			\$ _____
Other resource (name, labour category)			\$ _____
Other expenses			\$ _____
<b>EVALUATED PRICE (excluding GST/HST):</b>			\$ _____
<b>Estimated applicable taxes (GST or HST)</b>			\$ _____
<b>Total Price including GST/HST</b>			\$ _____

The firm all-inclusive rates provided above, will be used for any optional and additional services requested.



**ATTACHMENT 2**

**BID EVALUATION CRITERIA**

**1.0 Mandatory Technical Criteria**

The bid must meet the mandatory technical criteria specified below. The Bidder must provide the necessary documentation to support compliance with this requirement.

Bids which fail to meet the mandatory technical criteria will be declared non-responsive. Each mandatory technical criterion should be addressed separately.

The bid must meet the mandatory criteria set out below. The Bidder must provide the necessary documentation to support compliance. Bids which fail to meet the mandatory criteria will be declared non-responsive. Mandatory criteria are evaluated on a simple pass or fail basis. This will be evaluated as either a “Yes” or a “No.”

<b>ATTENTION BIDDERS:</b>			
Write beside each of the criterion the relevant page number(s) from your bid which addresses the requirement identified in the criteria.			
<b>#</b>	<b>Mandatory Technical Criteria</b>	<b>Met (Yes/No)</b>	<b>Cross-Reference to bid (indicate page #)</b>
<b>MT1</b>	<p><b>Corporate experience in carrying out economic analysis on health related issues and risk assessments</b></p> <p>The Bidder as a corporate entity must have a minimum of four (4) completed projects in the last ten (10) years, from the date of this RFP, in the fields of applied health economics and risk assessments in public sector regulations.</p> <p>Bidder’s must demonstrate this experience by providing a summary of one page or less about each of the projects provided, including their role in the project, research and/or project scope, methodology and any challenges encountered in the analysis and how these were addressed. One reference must be provided that is able to validate the work and results of each project provided. The references should include the name, title, telephone number and email address of the Project Authority.</p> <p>In order for these projects to be considered relevant they must be:</p> <p>A minimum of 45 days in duration. Each project given must be a stand-alone project that does not overlap with another project provided for this criterion. (i.e. if the project has four phases it can only be used as one project and not as four separate projects).</p>		



<b>MT2</b>	<p><b>Corporate experience with developing cost-benefit analyses in public sector regulations</b></p> <p>The Bidder as a corporate entity must have a minimum of three (3) projects in the last ten (10) years, from the date of this RFP, in which they undertook the development of a cost-benefit analysis to support a regulatory initiative in the public service domain, at a national or provincial level.</p> <p>Bidder's must demonstrate this experience by providing a summary of one page or less about each of the projects provided, including the research subject and/or project scope, methodology and any challenges encountered in the analysis and how these were addressed. Two of the projects described can be the same as those provided in MT1, but must provide additional detail on the industry that was assessed and how the costs were assessed initially and how/if this methodology changed during the course of the contract/project. One reference must be provided that is able to validate the work and results of each project provided. The references should include the name, title, telephone number and email address of the Project Authority.</p> <p>In order for these projects to be considered relevant they must be:</p> <p>A minimum of 45 days in duration. Each project given must be a stand-alone project that does not overlap with another project provided for this criterion. (i.e. if the project has four phases it can only be used as one project and not as four separate projects)</p>		
<b>MT3</b>	<p><b>Project Lead experience in carrying out economic analysis on health related issues and risk assessments</b></p> <p>The bidder must propose a Project Lead and include a copy of their resume.</p> <p>The resource proposed as the Project Lead must have a minimum of three (3) projects in the last ten (10) years in which they led, or had a critical role, in projects in the fields of applied health economics and risk assessments in public sector regulations.</p> <p>In order for these projects to be considered relevant they must be:</p> <ul style="list-style-type: none"><li>a) a minimum of 45 days in duration and be a complete project on its own right; and</li><li>b) studies that include the estimation of public and private sector costs, averted medical treatment and lost productivity costs, and primary research or benefits transfer approaches relying on revealed (e.g., hedonic wage studies) or stated preference (contingent valuation or choice experiments) methods.</li></ul>		



	<p>Bidder's must demonstrate this experience by providing a summary of one page or less about their role in the projects provided. Details about the Project lead's role must include their specific responsibilities in the delivery of the analysis and relevant details about how they contributed to the methodology and project outcome(s). The nature of interaction with the Project Authority must be included (i.e. Regular meetings). One reference must be provided that is able to validate each project provided. The references should include the name, title, telephone number and email address of the Project Authority.</p>		
<b>MT4</b>	<p><b>Project Lead experience with developing cost-benefit analyses in public sector regulations</b></p> <p>The resource proposed as the Project Lead must have a minimum of three (3) projects in the last ten (10) years in which they undertook, or had a critical role in, the development of a cost-benefit analysis to support a regulatory initiative in the public service domain, at a national or provincial level.</p> <p>In order for these projects to be considered relevant they must be:</p> <ul style="list-style-type: none"><li>a) a minimum of 45 days in duration and be a complete project on its own right; and</li><li>b) studies that include the estimation of public and private sector costs, averted medical treatment and lost productivity costs, and primary research or benefits transfer approaches relying on revealed (e.g., hedonic wage studies) or stated preference (contingent valuation or choice experiments) methods.</li></ul> <p>Bidder's must demonstrate this experience by providing a summary of one page or less about their role in the projects provided. Details about the Project lead's role must include their specific responsibilities in the delivery of the analysis and relevant details about how they contributed to the methodology and project outcome(s). The nature of interaction with the Project Authority must be included (i.e. Regular meetings). One reference must be provided that is able to validate each project provided. The references should include the name, title, telephone number and email address of the Project Authority.</p>		



<b>MT5</b>	<p><b>Work Plan and Methodology</b></p> <p>The Bidder must provide, in their Technical Proposal, a Work Plan and Proposed methodology in detail to describe how it relates to the Statement of Work (SOW) and include:</p> <ul style="list-style-type: none"> <li>a) allocation of resources and estimated timelines to complete the work within the designated project period and budget;</li> <li>b) an outline of the approach and description of the methodology used for all of the tasks in the SOW;</li> <li>c) identification of any issues that may need to be addressed with respect to timelines or deliverables and propose solutions to address them; and</li> <li>d) an outline of the final report.</li> </ul>		
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## **2.0 Point Rated Technical Criteria**

In addition to meeting the Mandatory Criteria, the Bidder must also address the Point-Rated Criteria identified below.

### **Minimum overall score**

The overall minimum cumulative score is 16 points for the sum of technical criteria RT1, RT2, and RT3. Bids that fail to meet the minimum score of 16 points will be declared non-responsive and no further consideration will be given to the bid.

<b>#</b>	<b>Point-Rated Technical Criteria</b>	<b>Points allocated</b>	<b>Actual Score</b>	<b>Cross-Reference to bid (<i>indicate page #</i>)</b>
<b>RT1</b>	<p><b>Resource experience in carrying out economic analysis on health related issues and risk assessments</b></p> <p>Beyond the experience cited for MT3, the resource proposed as the Project Lead should have experience with leading, or had a critical role, in projects in the last ten (10) years, from the date of this RFP, in the fields of applied health economics and risk assessments in public sector regulations.</p> <p>In order for these projects to be considered relevant they must be:</p> <ul style="list-style-type: none"> <li>a) a minimum of 45 days in duration and be a complete project on its own right; and</li> <li>b) studies that include the</li> </ul>	8		



	<p>estimation of public and private sector costs, averted medical treatment and lost productivity costs, and primary research or benefits transfer approaches relying on revealed (e.g., hedonic wage studies) or stated preference (contingent valuation or choice experiments) methods.</p> <p>Bidder's should demonstrate this experience by providing a summary of one page or less about their role in the projects provided. Details about the proposed resources' role should include their specific responsibilities in the delivery of the analysis and relevant details about how they contributed to the methodology and project outcome(s). The nature of interaction with the Project Authority should be included (i.e. Regular meetings). One reference should be provided that is able to validate each project provided. The references should include the name, title, telephone number and email address of the Project Authority.</p> <p><b>Points Allocation:</b> Two (2) points for each additional project that meets the criteria to a maximum of eight (8) points.</p>			
<b>RT2</b>	<p><b>Resource experience with developing cost-benefit analyses in public sector health regulations</b></p> <p>Beyond the experience cited for MT4, the resource proposed as the Project Lead should have additional experience in the last ten (10) years in which they undertook, or had a critical role in, the development of a cost-benefit analysis to support a regulatory initiative in the public service domain, at a national or provincial level.</p> <p>In order for these projects to be considered relevant they must be:</p> <p>a minimum of 45 days in duration and be a complete project on its own right; and</p>	8		



	<p>b) studies that include the estimation of public and private sector costs, averted medical treatment and lost productivity costs, and primary research or benefits transfer approaches relying on revealed (e.g., hedonic wage studies) or stated preference (contingent valuation or choice experiments) methods.</p> <p>Bidder's should demonstrate this experience by providing a summary of one page or less about the resources' role in the projects provided. Details about the resources' role should include their specific responsibilities in the delivery of the analysis and relevant details about how they contributed to the methodology and project outcome(s). One reference should be provided that is able to validate the each project provided. The references should include the name, title, telephone number and email address of the Project Authority.</p> <p><b>Points Allocation:</b> Two (2) points for each additional project that meets the criteria to a maximum of eight (8) points.</p>			
<b>RT3</b>	<p><b>Proposed Approach and Methodology</b></p> <p>The proposed Approach and Methodology should meet the objectives and tasks identified in the SOW.</p> <p>A score of 8 points will be assigned if the Bidder demonstrated extensive, in-depth description of all elements of the project and methodology. The approach and methodology mentioned are up to date and innovative while being presented in a clear and coherent manner. The knowledge, experience or approach demonstrated should ensure highly effective performance on this aspect of the work. The approach and methodology addresses all elements as outlined in the Statement of Work.</p>	8		



<p>A score of six (6) points will be assigned if the Bidder demonstrated a good description of all elements of the project and methodology. The approach and methodology mentioned are up to date while being presented in a clear and coherent manner. The knowledge, experience or approach demonstrated should ensure adequate performance on this aspect of the work. The approach and methodology addresses all elements as outlined in the Statement of Work.</p> <p>A score of four (4) points will be assigned if the Bidder demonstrated a partial description of the project and methodology. Some elements are not clearly addressed. The knowledge, experience or approach demonstrated should meet the minimum needed for adequate performance on this aspect of the work. The approach and methodology addresses most elements as outlined in the Statement of Work.</p> <p>A score of two (2) points will be assigned if the Bidder's response minimally addresses the criterion. The knowledge, experience or approach demonstrated is insufficient for the effective performance of the work. The approach and methodology addresses some elements as outlined in the Statement of Work.</p> <p>A score of zero (0) points will be assigned if the Bidder does not address the criterion. The approach and methodology does not address any elements as outlined in the Statement of Work.</p>			
<p><b>Total maximum Points</b> <b>(minimum required score is 16 points)</b></p>	<p>/24</p>		





**ATTACHMENT 3**

**BID CERTIFICATION**

The following Certifications are to be used, as applicable. If they apply, they must be signed and attached to the Contractor's quotation when it is submitted to Canada.

**1. CERTIFICATION OF EDUCATION AND EXPERIENCE**

The Contractor certifies that all the information provided in the résumés and supporting material proposed for completing the subject work, particularly the information pertaining to education, achievements, experience and work history, has been verified by the Contractor to be true and accurate. Furthermore, the Contractor warrants that every individual proposed by the Contractor for the requirement is capable of performing the Work described.

\_\_\_\_\_  
Print name of authorized individual & sign above                      Date

**2. CERTIFICATION OF AVAILABILITY OF PERSONNEL**

The Contractor certifies that, should it be authorized to provide services under this Contract, the persons proposed in the quotation will be available to commence performance of the work within a reasonable time from the date of issuance of the Contract and will remain available to perform the work in relation to the fulfillment of the requirement.

\_\_\_\_\_  
Print name of authorized individual & sign above                      Date

**3. CERTIFICATION OF STATUS OF PERSONNEL**

If the Contractor has proposed any individual who is not an employee of the Contractor, the Contractor certifies that it has permission from that individual to propose his/her services in relation to the Work to be performed and to submit his/her résumé to Canada. At any time during the Contract Period the Contractor must, upon request from the Contracting Authority, provide the written confirmation, signed by the individual, of the permission that was given to the Contractor of his/her availability. Failure to comply with the request may result in a default under the Contract in accordance with the General Conditions.

\_\_\_\_\_  
Print name of authorized individual & sign above                      Date