



<p><b>RETURN BIDS TO:</b> <b>RETOURNER LES SOUMISSIONS À:</b></p> <p><b>Bid Receiving - Environment Canada / Réception des soumissions – Environnement Canada</b>  <b>Hard Copy:</b>          200 Blvd. Sacré-Cœur,          Gatineau, Quebec (Canada) K1A 0H3          Attn: Barry McKenna</p> <p><b>E –Mail:</b></p> <p><b>Ec.soumissions-bids.ec@canada.ca</b></p> <p><b>BID SOLICITATION AMENDMENT MODIFICATION DE LA DEMANDE DE SOUMISSIONS</b></p> <p>The referenced Bid Solicitation is revised in this document; unless otherwise indicated, all other terms and conditions of the Bid Solicitation remain the same.</p> <p>La demande de soumissions citée en référence est modifiée dans ce document; sauf indication contraire, les modalités de la demande de soumissions demeurent les mêmes.</p> <p><b>Issuing Office – Bureau de distribution</b></p> <p><b>Environment Canada Finance Branch 200 Sacre-Coeur Blvd Gatineau, Quebec K1A 0H3</b></p>	<p><b>Title – Titre</b> <b>Off-Road Equipment Market Analysis</b></p>	
	<p><b>EC Bid Solicitation No./SAP PR No. - N° de la demande de soumissions EC / N° SAP PR</b></p> <p><b>5000045893</b></p>	<p><b>Amendment No. - N° de modif.</b></p> <p><b>001</b></p>
	<p><b>Date of Bid Solicitation (YYYY-MM-DD) – Date de la demande de soumissions (AAAA-MM-JJ)</b></p> <p><b>2019-07-17</b></p>	
	<p><b>Bid Solicitation Closes (YEAR-MM-DD) - La demande de soumissions prend fin (AAAA-MM-JJ)</b></p> <p><b>at – à 2:00 P.M. on – le 2019-07-17</b></p>	<p><b>Time Zone – Fuseau horaire</b></p> <p><b>EDT</b></p>
	<p><b>F.O.B – F.A.B Destination</b></p>	
	<p><b>Address Enquiries to - Adresser toutes questions à</b></p> <p><b>Barry McKenna Barryjoseph.mckenna@canada.ca</b></p>	
	<p><b>Telephone No. – No de téléphone</b></p> <p><b>819-938-9425</b></p>	<p><b>Fax No. – No de Fax</b></p>
	<p><b>Delivery Required (YEAR-MM-DD) – Livraison exigée (AAAA-MM-JJ)</b></p>	
	<p><b>Destination of Services / Destination des services</b></p> <p><b>Environment and Climate Change Canada 350 St. Joseph Blvd. Gatineau PQ K1A 0H3</b></p>	
	<p><b>Security / Sécurité</b></p> <p><b>There is no security requirement associated with this solicitation</b></p>	

The amendment to the bid solicitation is to address the enquiries received and to amend the Request for Proposal.

### **Questions and Answers**

Q1: Could you help us understand the primary purpose of the research? Our hypothesis is that Canada has committed itself to reduce its carbon emissions and has isolated a number of emissions-producing categories for which there is very little data (as opposed to commercial and passenger vehicles for example). We assume the ECCC needs to know the size of these categories and the relative share of electrical varieties in order to set replacement targets. Hypothetically-speaking: "XYZ estimates that 10,000 leaf blowers were sold in Canada in 2018 and 20% of those were electric." With this type of information, the ECCC could then estimate the CO2 emissions of leaf blowers and then propose legislation such as: "By 2025, we will set a target of increasing the share of electric leaf blowers to 50%. By 2030, we will aim to entirely phase out any varieties powered by fossil fuel." Is this a realistic scenario characterizing the decisions that will be made with the findings of this report?

A1: At this point, the objective is to have a good understanding of the size of Canadian market and its suppliers. The information gathered under this study will be used to develop policy options that are suitable for the Canadian market.

Q2: How were these 32 categories selected? Were they collectively identified as having a significant contribution to Canada's current CO2 emissions? If so, what share do they have? While we appreciate the lack of data for recreational off-roading vehicles and home and gardening equipment, we are curious to understand if the ECCC has any hypothesis?

A2: These are generic categories recognized in the industry to cover recreational and lawn and garden equipment/products.

Q3: What HS codes is the ministry using to classify these 32 categories? Correspondingly, we assume a large portion of select categories are imported and imports will contribute significantly to market size estimates. What trade sources does the ECCC have access to? Is the ECCC accessing Canada's own custom data, using a proprietary database such as Panjiva, or a public one such as UN Comtrade?

A3: ECCC has not accessed the above-mentioned information. We expect the contractor to use the appropriate data. The contractor has the discretion to use any data that is reliable, appropriate and properly sourced in order to meet the objectives of the study.

Q4: Why does the ECCC wish to segment the sales of each identified make/brand across all 32 categories found in Canada by geography (US, Canada, Globe)? Is it to benchmark the performance of Canada against the US and the globe? According to our own proprietary index on sustainability, Canada ranks in the Top 5 of 97 researched markets. Why would a global figure, which includes much larger, well-known polluters such as China, India, US, etc., ever be used as a benchmark for Canada? As an aside, we conduct research country by country to ensure data quality. Developing a "global" total would necessitate conducting research in at least the Top 10 economies globally which would be prohibitively expensive. Since we hypothesize that the overall objective of this research is ultimately to inform target-setting in Canada, we propose to limit in-country research only to Canada (and possibly the USA and EU – see below) unless the ECCC can shed light on its reasons for wanting US and global data.

A4: The objective is not to benchmark the emissions of the equipment available in Canada compared to other countries. The objective is to find out what is the size of the Canadian market compared to others for each specific manufacturer that sell in Canada.

Q5: There are dozens of makes/brands within each of the 32 categories. A single, large manufacturer may source parts from all over the world and assemble different makes/brands of varying quality and price points at dozens of manufacturing and assembly plants across the globe. Similarly, those same manufacturer likely register varying sales in many countries for different makes/brands. Given the 32 categories in scope, this would be a costly exercise. How does disaggregating the supply chain and segmenting the sale by geography of “each make/brand of equipment found in the Canadian market” serve the broader purpose of this research?

A5: The purpose is to assess the importance of the Canadian market for each manufacturer that serves the Canadian market by comparing for each of those manufacturers the number of units that they sell in Canada, in the US and in the rest of the world. In terms of manufacturing, the primary information requested relates to the location of the final assembly for each equipment/make/brand offered for sale in Canada.

Q6: As mentioned above, we assume the ECCC is interested in introducing new standards and emissions policies that will have the biggest impact on reducing CO2 emissions. Some categories use more fossil fuel than others. Some categories identified as “low-emissions” are used more frequently than others rendering them collectively more polluting. Have you considered a phased approach to optimize research spend? We propose sizing each category in Canada first to estimate each one’s collective emissions in an initial phase. We would then propose a follow-up phase to estimate the share of electric in select categories identified as the biggest polluters. We could then repeat the study every 2 years to track performance against set replacement targets in the categories that matter most. Is the ECCC open to this approach?

A6: The purpose of this market analysis is to gather information that will inform the development of policy options. There are no further phases currently contemplated for this work.

Q7: As to why the ECCC wishes to analyze production and sales of “each make/brand of equipment found in the Canadian market,” we assume that the reason might be because Canadian legislators have greater sway over Canadian manufacturers, foreign manufacturers who produce in Canada, and/or manufacturers whose proportion of sales is mostly in Canada. Is that correct? If so, we recommend using available resources to narrow the scope to profiling only aforementioned players.

A7: These factors are part of the elements considered in developing policy options (see answer A5 with respect to scope).

Q8: We believe it would be logical to extend research coverage to the US and possibly the EU but with a narrower, qualitative scope. Given language, proximity, and extensive trade relations, we propose conducting desk research and limited interviews in the US to gather opinion on electrification from US manufacturers’ perspectives, existing category sales to Canada, and impact of varying target-setting scenarios on business. In the EU, we would propose a review of political and academic literature on electrification and steps the bloc has taken to implement similar policies.

A8: The statement of work is asking for information on each of the manufacturers that is selling such equipment in Canada (see answer A5 with respect to scope). The scope of work does not include analysis of existing or potential future policies.

Q9. Mandatory Technical Criterion M1 references a “Project Manager”, who is further defined in Point-Rated Technical Criterion R3. Mandatory Technical Criterion M2 references a “Project Leader”, who is not further defined within the Point-Rated Technical Criteria, and the term “Project Leader” does not appear anywhere else in the RFP. Does ECCC require respondents to identify a Project Manager and a Project Leader? Can the Project Manager and the Project Leader be the same person? If not, how will the qualifications of the Project Leader be evaluated?

A9. See amendment 1 below.

**RFP Amendment**

Amendment 1

At item 1.2.1 – Mandatory Technical Criteria, Part 4 – Evaluation Procedures and Basis of Selection, Table entry M2 is deleted in its entirety

<b>M2</b>	The Bidder must submit a technical proposal which must at minimum include: a) detailed work plan/schedule b) methodology c) description of the team (including subcontractors, as applicable) d) Identification of Project Manager e) CVs of all proposed key team members	
-----------	---	--

All other terms and conditions of the Bid Solicitation remain the same.