



**RETURN BIDS TO:**

**RETOURNER LES SOUMISSIONS À:**

Bid Receiving - PWGSC / Réception des soumissions -  
TPSGC

11 Laurier St. / 11, rue Laurier

Place du Portage, Phase III

Core 0B2 / Noyau 0B2

Gatineau, Québec K1A 0S5

Bid Fax: (819) 997-9776

**SOLICITATION AMENDMENT  
MODIFICATION DE L'INVITATION**

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

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

**Comments - Commentaires**

**Vendor/Firm Name and Address**

Raison sociale et adresse du  
fournisseur/de l'entrepreneur

**Issuing Office - Bureau de distribution**

Industrial Vehicles & Machinery Products Division

11 Laurier St./11, rue Laurier

7B1, Place du Portage, Phase III

Gatineau

Québec

K1A 0S5

<b>Title - Sujet</b> CHER- RFI	
<b>Solicitation No. - N° de l'invitation</b> W8476-185840/A	<b>Amendment No. - N° modif.</b> 021
<b>Client Reference No. - N° de référence du client</b> W8476-185840	<b>Date</b> 2020-05-11
<b>GETS Reference No. - N° de référence de SEAG</b> PW-\$\$HS-634-74903	
<b>File No. - N° de dossier</b> hs651.W8476-185840	<b>CCC No./N° CCC - FMS No./N° VME</b>
<b>Solicitation Closes - L'invitation prend fin at - à 02:00 PM on - le 2020-06-01</b>	<b>Time Zone</b> Fuseau horaire Eastern Daylight Saving Time EDT
<b>F.O.B. - F.A.B.</b> Specified Herein - Précisé dans les présentes <b>Plant-Usine:</b> <input type="checkbox"/> <b>Destination:</b> <input type="checkbox"/> <b>Other-Autre:</b> <input checked="" type="checkbox"/>	
<b>Address Enquiries to: - Adresser toutes questions à:</b> Veronica Vallejo	<b>Buyer Id - Id de l'acheteur</b> hs651
<b>Telephone No. - N° de téléphone</b> (613) 297-3978 ( )	<b>FAX No. - N° de FAX</b> ( ) -
<b>Destination - of Goods, Services, and Construction:</b> <b>Destination - des biens, services et construction:</b>	

**Instructions: See Herein**

**Instructions: Voir aux présentes**

<b>Delivery Required - Livraison exigée</b>	<b>Delivery Offered - Livraison proposée</b>
<b>Vendor/Firm Name and Address</b> <b>Raison sociale et adresse du fournisseur/de l'entrepreneur</b>	
<b>Telephone No. - N° de téléphone</b> <b>Facsimile No. - N° de télécopieur</b>	
<b>Name and title of person authorized to sign on behalf of Vendor/Firm (type or print)</b> <b>Nom et titre de la personne autorisée à signer au nom du fournisseur/ de l'entrepreneur (taper ou écrire en caractères d'imprimerie)</b>	
<b>Signature</b>	<b>Date</b>

## **Amendment 021**

This amendment is raised to provide additional information and resources relating to the Economic leveraging strategy for the CHER project as follows:

### **Request for Information – Socio-Economic Benefits**

Canada is seeking Industry's advice into the proposed Economic leveraging strategy for the CHER project. It is essential the companies participating in the CHER project fully understand the suggested applicable program for the Bundle that is of interest to them. Canada can provide information, but cannot provide business case options or recommendations for your company.

Canada is considering three different approaches to Economic leveraging for application to CHER bundles: Industrial and Technological Benefit and Value Proposition; Canadian Content Policy – Conditionally limited; and Canadian Value Added Approach.

### **Industrial and Technological Benefit and Value Proposition**

The Industrial and Technological Benefit (ITB) Policy requires companies awarded defence contracts to undertake business activity in Canada equal to the value of the contract. The ITB Policy includes a Value Proposition (VP), which is the economic commitment that bidders make to Canada up front at bid time. The VP is a scored and weighted factor in winner selection along with financial and technical components of the bid, and becomes a contractual commitment for the winning bidder. VP requirements and evaluation criteria are tailored to each procurement to allow the government to encourage investments in select Key Industrial Capabilities (KICs) and take advantage of the unique economic opportunities offered by each project. Economic undertakings included in a VP generally fall under one or more of the five ITB pillars:

- Direct work (related to the procurement);
- Research and development;
- Supplier development;
- Exports; and
- Skills Development and Training.

More information about the ITB Policy can be found at the following link:

<https://www.ic.gc.ca/eic/site/086.nsf/eng/home>

We encourage industry to become informed about the ITB Policy and to engage with Canada on the impacts of economic leveraging with regards to the CHER project. If you have questions on this policy, please contact the CHER ITB manager, Mr. Eric Macfarlane at [eric.macfarlane@canada.ca](mailto:eric.macfarlane@canada.ca)

### **Canadian Content Policy – Conditionally Limited (Conditional CCP)**

The Canadian Content Policy is a Cabinet-mandated policy. It encourages industrial development in Canada by limiting, in specific circumstances, competition for government procurement opportunities to suppliers of Canadian goods and services.

Conditionally Limited: the bid solicitation or request for standing offers will be conditionally limited when the contracting officer is uncertain whether two or more suppliers of Canadian goods and/or services exist.

If the procurement process was conditionally limited to Canadian goods and/or services, the contracting officer will determine, first, if there are two or more bids with a valid Canadian content certification. In that event, the evaluation will be limited to the bids with the certification; otherwise, all bids will be evaluated. If

the bids with a valid certification are later declared non-responsive or withdrawn, and, and after such there are less than two responsive bids with a valid certification of Canadian goods and/or services, the evaluation will continue among those responsive bids which contain a valid certification. If all bids with a valid certification are subsequently found to be non-responsive or withdrawn, then all other bids received will be evaluated. (See SACC Manual clause A3070T.)

<https://buyandsell.gc.ca/policy-and-guidelines/supply-manual/section/3/130>

#### Canadian Value Added Approach (CVAA)

This is a modified approach to the Canadian Content policy as it is designed to incentivize the use of Canadian content through awarding points in the evaluation, either for the entire equipment or for an element of the procurement. For example, if all vehicle chassis of a certain type were built outside of Canada, but there were Canadian up-fitters, the approach would incentivize the use of those resources.

#### **CHER Economic Leveraging Strategy**

Canada is currently considering the application of the following economic leveraging approaches to the 8 CHER bundles. You are invited to comment on the approaches proposed below:

- a. Bundle 1 – Heavy Construction Equipment – ITB-VP applies to the acquisition and ISS contracts
  - Note: Information on the ISS scope has been released through amendments 7, 8, 11 and 16. Further information will be released through the draft RFP.
- b. Bundle 2 – Simulators – CVAA
- c. Bundle 3 – Rough Terrain Container Handler – CVAA
- d. Bundle 4 – HSAB – to be confirmed
- e. Bundle 5 – Dumps – CVAA
- f. Bundle 6 – Rough Terrain Fork Lifts – CVAA
- g. Bundle 7 – Trailers – Conditional CCP
- h. Bundle 8 – Cranes – CVAA and armour must be manufactured in Canada

We appreciate your time in reviewing these proposed solutions as we need your input soonest in order to help move forward in the CHER Project. We are requesting input by 26 May 2020 if possible, or whenever the current situation allows you to provide input. Canada will not be bound by anything herein and reserves the right to revise its Economic leveraging strategy as it considers appropriate, for any reason it deems appropriate.

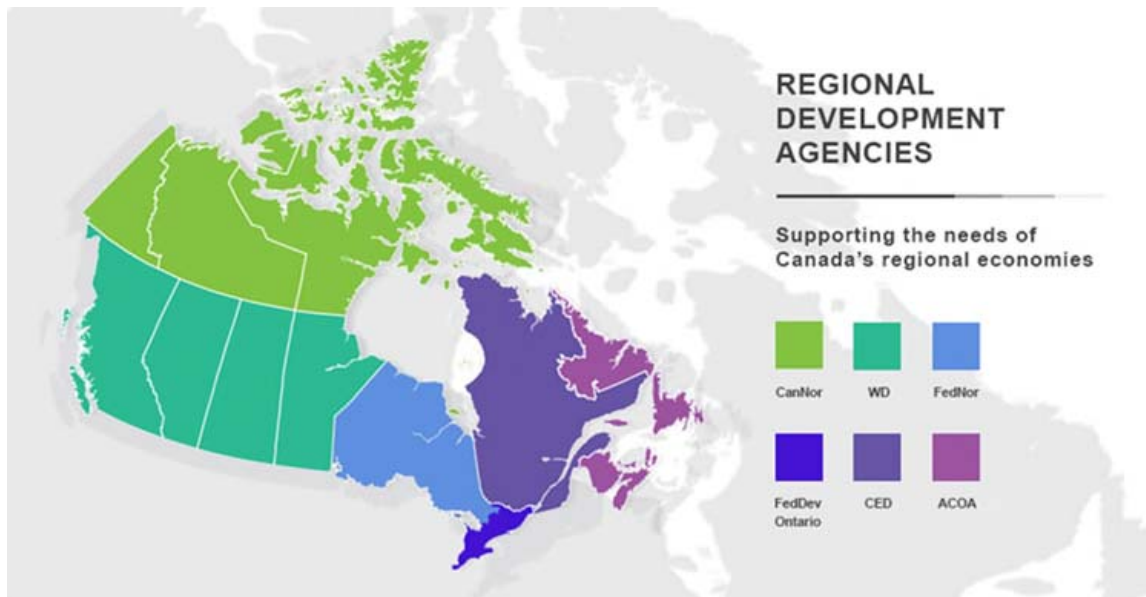
Please provide your feedback to the following email address: [Veronica.Vallejo@tpsgc-pwgsc.gc.ca](mailto:Veronica.Vallejo@tpsgc-pwgsc.gc.ca)

#### **Regional Development Agencies**

Through the Value Proposition, the ITB Policy encourages bidders to make commitments to undertake business activities with Canadian companies and other stakeholders. Canada's Regional Development Agencies (RDAs) have teams dedicated to assisting potential bidders and prime contractors (both Canadian and international) undertake ITB-related activities by connecting them to Canadian stakeholders and suppliers in their regions. For example, RDAs can lead targeted supplier development tours, host ITB-orientated conferences, and provide regional capability lists.

Organizations interested in defence and security procurement projects should contact Canada's RDAs for more information about how they can access business opportunities and get involved in defence procurement projects to which the ITB Policy applies. Contact information for the RDA ITB Teams are as follows and a map of their respective regions of responsibility is included below.

Regional Development Agency	Contact Name	E-mail	Phone
Atlantic Canada Opportunities Agency (ACOA)	Sam Fotia	<a href="mailto:sam.fotia@canada.ca">sam.fotia@canada.ca</a>	(613) 286-8853
Canada Economic Development for Quebec Regions (CEDQ)	Mathieu Poirier	<a href="mailto:mathieu.poirier@canada.ca">mathieu.poirier@canada.ca</a>	(438) 341-8782
Canadian Northern Economic Development Agency (CanNor)	David Alexander	<a href="mailto:david.alexander@canada.ca">david.alexander@canada.ca</a>	(867) 669-2597
Federal Economic Development Agency for Southern Ontario (FedDev)	Robyn Hori	<a href="mailto:robyn.hori@canada.ca">robyn.hori@canada.ca</a>	(613) 612-2495
Federal Economic Development Initiative for Northern Ontario (FedNor)	Natalie Brabant	<a href="mailto:natalie.brabant@canada.ca">natalie.brabant@canada.ca</a>	(705) 626-8897
Western Economic Diversification Canada (WD)	Peter Hoek	<a href="mailto:peter.hoek@canada.ca">peter.hoek@canada.ca</a>	(613) 220-4489



Source: [https://www.ic.gc.ca/eic/site/icgc.nsf/eng/h\\_07662.html](https://www.ic.gc.ca/eic/site/icgc.nsf/eng/h_07662.html)

**All other terms and conditions remain unchanged.**