



## Environment and Climate Change Canada (ECCC)

### Request for Information (RFI) - Ref: ECCC-2425-ME0001

On informing suppliers that ECCC intends to require the new TBS Standard for goods and services contracts below \$25 million where ECCC has financial delegation

#### **PART 1 – PURPOSE AND NATURE OF THE REQUEST FOR INFORMATION**

##### *1.1 Purpose of the Request for Information*

ECCC is launching this RFI to engage with and inform stakeholders of its intention to require procurement suppliers to adhere to the Treasury Board of Canada Secretariat's (TBS) [Standard on the Disclosure of Greenhouse Gas Emissions and the Setting of Reduction Targets](#) (GHG Disclosure Standard) for ECCC procurement contracts below \$25 million where ECCC has financial delegation.

The TBS Standard took effect on April 1, 2023, and applies to Government of Canada (Canada) procurement requirements with costs over \$25 million, including applicable taxes. The aim of the GHG Disclosure Standard is to induce suppliers to measure and disclose their GHG emissions and adopt a science-based target to reduce GHGs in line with the Paris Agreement. As per section 3.2.1 of the GHG Disclosure Standard, organizations can participate in the [Net-Zero Challenge](#) or an equivalent initiative or standard to meet the requirement. The Net-Zero Challenge is a Government of Canada initiative that encourages businesses to develop and implement credible and effective plans to transition their facilities and operations to net-zero emissions by 2050.

ECCC intends to apply the same requirements to procurement contracts with costs of \$100,000 to \$3.75 million for services, including applicable taxes, and of \$25,000 to \$750,000 for goods, including applicable taxes, in addition to requirements with costs above \$25 million. The aim of this proposal is to encourage further emissions reductions and net-zero planning in Canada.

The objectives of this RFI are to:

1. Request detailed information and feedback from suppliers.
2. Determine the capability of suppliers to satisfy a future requirement to adhere to the GHG Disclosure Standard for ECCC procurement services contracts of \$100,000 to \$3.75 million, including applicable taxes.



3. Determine the capability of suppliers to satisfy a future requirement to adhere to the GHG Disclosure Standard for ECCC procurement goods contracts of \$25,000 to \$750,000, including applicable taxes.
4. Allow stakeholders to comment on a potential path forward.

Respondents are requested to provide answers to the questions in Part 3 of this RFI (see section on *Questions to Suppliers*).

## *1.2 Nature of the Request for Information*

This is not a bid solicitation. This RFI will not result in the issuance of a solicitation and will not result in the award of any contract. This RFI is simply intended to solicit information and feedback from industry with respect to the matters described in this RFI.

## **PART 2 – RESPONSE INSTRUCTIONS AND INFORMATION**

### *2.1 Nature and Format of Responses Requested*

Respondents are invited to provide answers to the questions found in Part 3 of this RFI by returning an electronic copy of Annex A.

Alternatively, respondents can provide answers through a different media and format by appropriately referencing the document as well as the relevant section(s) and question(s).

Respondents are requested to explain any assumptions they make in their interpretation of the questions.

### *2.2 Response Costs*

Canada will not reimburse any respondent for expenses incurred in responding to this RFI.

### *2.3 Treatment of Responses*

#### **2.3.1 Use of Responses**

Responses will not be formally evaluated. The responses received may be used by Canada to develop or modify procurement policies, requirements or standards. Canada will review all responses received by the RFI closing date. Canada may, at its discretion, review responses received after the RFI closing date.



### 2.3.2 Access to Information

The *Access to Information Act* provides, upon request, a right of access to information in records under the control of a government institution. The general right of access is limited by specified exclusions from disclosure. These exclusions include, among other things, certain types of third-party information, the disclosure of which could be detrimental to that party. Respondents are requested to indicate and mark any portions of their response that they consider proprietary or confidential. Canada will handle these portions in accordance with the *Access to Information Act*.

### 2.3.3 Sharing of Information with Other Governments

Canada may share some or all the information collected in the process of this request for information with provincial and/or municipal governments.

## 2.4 Contents of this RFI

This RFI contains specific questions addressed to industry.

## 2.5 Response Content

The first page of each document of the response provided should contain:

- A. The RFI number;
- B. The name of the company that the respondent is representing; and
- C. The date of submission of the documents.

## 2.6 Enquiries

ECCC will not necessarily respond to enquiries in writing or by circulating answers to all interested suppliers as this is not a solicitation process. However, respondents who have questions regarding this RFI may direct their enquiries to the Contracting Authority named below:

**Contacting Authority:** Mitchel Easey  
**Email:** [Mitchel.Easey@ec.gc.ca](mailto:Mitchel.Easey@ec.gc.ca)

## 2.7 Submission of Responses

### 2.7.1 Time and Place for Submission of Responses

Suppliers interested in providing a response should deliver it in accordance with Section 2.5 to the attention of the Contracting Authority **July 26, 2024, at 3pm EST** to the address indicated in Section 2.6.



### 2.7.2 Responsibility for Timely Delivery

Each respondent should ensure their response is delivered on time to the correct email address or location.

### 2.8 Security Requirements

There are no security requirements associated with responding to this RFI.

### 2.9 Official Languages

Responses to this RFI are requested to be presented in either of the official languages of Canada.

## PART 3 – QUESTIONS TO SUPPLIERS

### 3.1 Context

As noted under section 1.1, on April 1, 2023, TBS's [GHG Disclosure Standard](#) came into force. This ensures that the process for procurements over \$25 million, including taxes, induces suppliers to measure and disclose their GHG emissions and adopt a science-based target to reduce GHG emissions in line with the Paris Agreement. As per Section 3.2.1 of the GHG Disclosure Standard, suppliers meet the science-based requirement by participating in either the [Net-Zero Challenge](#) or an equivalent initiative or standard.

ECCC intends to apply the same requirements to procurement contracts with costs of \$100,000 to \$3.75 million for services, including applicable taxes, and of \$25,000 to \$750,000 for goods, including applicable taxes, in addition to requirements with costs above \$25 million. The aim of this proposal is to encourage further emissions reductions and net-zero planning in Canada.

### 3.2 Questions to Suppliers

Questions in this RFI are organized into three categories: (1) Questions to Organizations Working with ECCC Procurement; (2) Questions on GHG Emissions Reduction Targets; and (3) Questions on Supplier Identification (voluntary).

#### 3.2.1 Questions to Organizations Working with ECCC Procurement

1. Does your organization bid on or work with ECCC for procurement requirements under \$3.75 million for services and/or \$750,000 for goods, including applicable taxes?  
If yes:
  - a. How many ECCC projects in this value range has your organization bid on in the last five years?



2. If the answer to Question 1 is no, does your organization have plans to work with ECCC for procurement requirements with costs under \$3.75 million for services and/or under \$750,000 for goods in the next two years?
3. In the event that ECCC implements procurement requirements with costs of \$100,000 to \$3.75 million for services, and of \$25,000 to \$750,000 for goods contracts, including applicable taxes, to meet the GHG Disclosure Standard:
  - a. How should this requirement be included in solicitations and contracts?
    - i. By including mandatory criteria that would eliminate any bids that do not meet the disclosure requirement.
    - ii. By including points-rated criteria, thereby giving a preference to bids that meet the disclosure requirement.
    - iii. By making it a condition to be met prior to the award of a contract.
    - iv. If other, please describe.
  - b. Would your organization need time to prepare in order to meet the requirement, and if so, how much time?
  - c. What challenges or obstacles, if any, would you foresee in meeting this requirement?
4. Please provide any other comments that would help ECCC best implement this as a requirement.

### 3.2.2 Questions on GHG Emissions Reduction Targets

1. Does your organization have GHG emissions reduction targets? If yes:
  - a. Are the targets publicly available?
  - b. What scope(s) are included in the targets (i.e. Scope 1, 2 and/or 3)?
    - i. For Scope 3 emissions, please identify which of the 15 categories of Scope 3 emissions your organization includes. (*See the Glossary of Terms for further details.*)
  - c. What is the level of ambition of your targets? (e.g. a general reduction of GHG emissions; net-zero by a certain year; science-based targets to limit warming to 1.5°C, etc.).
  - d. What national or international standard(s) or initiative(s) does your organization currently use for its emissions reduction targets?
  - e. Have you heard of the [Net-Zero Challenge](#)? If yes, does your organization intend to participate in the Net-Zero Challenge?
2. If the answer to Question 1 is no, does your organization have plans to develop GHG emissions reduction targets in the next two years?
3. In the event that suppliers are required to establish GHG emissions reduction targets in order to do business with ECCC for goods and services contracts in the value range outlined in this RFI:
  - a. How should this requirement be included in solicitation and contractual documents?
    - i. By including mandatory criteria that would eliminate any bids that do not have GHG emissions reduction targets validated by a third party?



- ii. By including points-rated criteria, thereby giving preference to bids that have GHG emissions reduction targets validated by a third party?
  - iii. By making it a condition to be met prior to the award of a contract?
  - iv. If other, please describe.
- b. Would your organization need time to prepare in order to meet this requirement and, if so, how much time?
- c. What challenges or obstacles, if any, do you foresee in meeting this requirement?

### 3.2.3 Questions on Supplier Identification (voluntary)

1. To which industry sector does your organization belong?
2. Please provide the Goods and Services Identification Number (GSIN) your organization has previously used to submit bids for Government of Canada contracts.
3. How many ECCC contracts has your organization been awarded in the last 10 years valued:

#### Services:

- a. over \$3.75 million?
- b. between \$100,000 and \$3.75 million?
- c. under \$100,000?

#### Goods:

- d. over \$750,000?
- e. between \$25,000 and \$750,000?
- f. under \$25,000?

### 3.2.4 Glossary of Terms

#### **Emissions**

- The release of GHGs into the atmosphere.

#### **GHG**

- A gas that absorbs and re-emits radiation, resulting in the greenhouse effect, which contributes to a warming climate. For the purposes of this guidance and for the Net-Zero Challenge, GHGs include all of those that are subject to reporting to the [Greenhouse Gas Reporting Program](#). As of 2021, this includes carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), sulphur hexafluoride (SF<sub>6</sub>), 13 different hydrofluorocarbons (HFCs), and seven different perfluorocarbons (PFCs).

#### **GHG Emissions Reduction Target**



- An organization's target to reduce GHG emissions and sources over a specific time period.

### **Net-Zero Emissions**

- Achieving net-zero emissions means the economy either emits no GHG emissions or offsets its emissions, for example, through actions such as tree planting or employing technologies that can capture carbon before it is released into the air. Also referred to as "net-zero."

### **Science-Based**

- GHG emissions reduction targets are considered "science-based" if they are in line with the latest climate science deemed necessary to meet the goal of the Paris Agreement – i.e. limiting global warming to well below 2°C above pre-industrial levels and pursuing efforts to limit warming to 1.5°C.

### **Scope 1, 2 and 3**

- Defines the operational boundaries in relation to direct and indirect emissions.
  - **Scope 1** emissions are a company's direct emissions, principally from the generation of electricity, heat or steam, physical or chemical processing, transportation, and fugitive emissions.
  - **Scope 2** emissions are a company's indirect emissions associated with the purchase of electricity, heating/cooling, and steam for its own consumption.
  - **Scope 3** emissions are a company's indirect emissions excluding those covered in scope 2. These are also known as value chain emissions.

### **Value Chain**

- All business processes or activities involved in the production of a good or service for the market, from conception to end-use and beyond. A simplified value chain would include corporate services (e.g. marketing, logistics), research and development, inputs, assembly, distribution, sales, and after-sales service.