

Innovative Solutions Canada
Testing Stream
Call for Proposals TS9
EN578-23IS15



Solicitation No.: TS9 EN578-23IS15

Refer to the tender notice published on [CanadaBuys](#).

Closing date: October 3, 2023 2:00 PM EDT

Proposal Submission details are included in this Call for Proposals document.

Issuing Office:

Public Works and Government Services Canada

Services and Innovation Acquisitions Sector

Research and Development Procurement Directorate

Email: TPSGC.PASICVoletessai-APISCTestingStream.PWGSC@tpsgc-pwgsc.gc.ca


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PART 1 - GENERAL INFORMATION
1.1 Summary

Innovative Solutions Canada Testing Stream (ISC-TS) helps Canadian innovators by purchasing research and development (R&D) services and testing prototypes in real-life settings.

Public Works and Government Services Canada (PWGSC) is issuing a Call for Proposals (CFP) on behalf of Innovation, Science and Economic Development Canada (ISED) and participating departments, seeking Innovations to address a variety of Problem Statements which reflect the departmental requirements of federal departments and agencies.

In support of the mandate commitment to award 5% of federal contracts to Indigenous businesses, a portion of this procurement will be voluntarily set aside for Indigenous businesses. The commitment is to set aside \$2,500,000.00 CAD of the budget for this CFP for qualified Indigenous suppliers.

ISED is seeking solutions to the Problem Statements outlined on the ISC website [Open Funding Opportunities page](#).

Bidders who meet the Small Business Set-aside criteria must submit a proposal under CFP **EN578-23IS15 (TS9)** and are precluded from bidding under CFP **EN578-23IS16 (TS10)**, published on CanadaBuys.

The purpose of this CFP is to create a pool of conditionally qualified proposals that ISC and participating departments may select from to address their operational requirements.

The ISC –TS is a R&D program aimed at procuring, testing and evaluating R&D pre-commercial goods and services in the late stage development (Testing Readiness Level (TRL) 7 to 9) defined on the [ISC website here - https://www.ic.gc.ca/eic/site/101.nsf/eng/00077.html](https://www.ic.gc.ca/eic/site/101.nsf/eng/00077.html).

Problem Statement topics are as follows:

Standard Problem Statements

- Clean Technology and Climate Change – Energy Generation, Storage, and Infrastructure
- Clean Technology and Climate Change – Bio-Products, Bio-Chemicals, and Waste Reduction
- Clean Technology and Climate Change – Low Carbon and Zero-Emissions Mobility
- Clean Technology and Climate Change – Assessment, Development and Adaptation to Environmental Change

Military Problem Statements

- Military and Space – Advanced Sensor Technologies
- Military and Space – UAS C-UAS and UUV
- Military and Space – Digital Enablers


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- Health – Food Safety and Security

- Health – Health and Disease Prevention

- Health – Advanced and Emerging Medical Technologies

1.1.1 Estimated Funding

The estimated maximum funding available for all Contracts resulting from this CFP is: \$69.5M CAD (applicable taxes, shipping, and travel and living expenses are extra, as applicable).

This estimated funding is not a contract guarantee. Disclosure is made in good faith and does not commit Canada to contract for the total estimated funding.

A portion of the estimated funding for this procurement will be voluntarily set aside for Indigenous businesses. The commitment is to set aside \$2,500,000.00 CAD of the budget for this CFP for qualified Indigenous suppliers. If there are no compliant bids submitted by Indigenous businesses, or if funds remain after all compliant bids submitted by Indigenous businesses have been awarded contracts, Canada reserves the right to utilize the remaining funds for any contracts resulting from solicitation EN578-23IS15 (TS9).

Should fiscal funding become unavailable, Bidders will be notified directly, pending the new fiscal year or until funds are available.

1.1.2 The maximum contract value available for any single contract resulting from this CFP is as follows:

Standard Problem Statements: \$1,150,000.00 CAD, (applicable taxes, shipping, and travel and living expenses are extra, as applicable).

Military Problem Statements: \$2,300,000.00 CAD, (applicable taxes, shipping, and travel and living expenses are extra, as applicable).

1.2 Procurement Approach
1.2.1 This CFP involves Two-Step Proposal Evaluation Process:

Step 1: Proposal Submission, Evaluation and Selection; and

Step 2: Contract Award Process.



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Step 1 – Proposal Submission, Evaluation and Selection:

Bidders should consult Appendix 1 -Evaluation Grid that forms part of this CFP. This evaluation grid will be used in the proposal evaluation process. Step 1 will result in a pool of conditionally qualified proposals.

The conditionally qualified proposals are “approved in principle” and will not constitute a guarantee on the part of Canada that a contract will be awarded. Approved in principle for contract consideration is defined as conditional acceptance of the proposal subject to meeting the requirements of Part 5 – Basis of Selection and the availability of funding.

Step 2 - Contract award Process:

Conditionally qualified proposals that are selected for testing will move to Step 2 and be subject to the Contract Award Process that is led by the Contracting Authority.

Bidders are encouraged to view the Draft Resulting Contract Clauses that forms part of this Call for Proposals, at Appendix 3 – Draft Resulting Contract Clauses and Conditions, which will be used under Section 5.3 Contract Award Process. Canada reserves the right to require that all Work, including delivery of the Innovation, be completed within 12 months from the date of any resulting contract award.

1.3 Small Business Set-Aside

This procurement is reserved for small businesses under the Small Business Set-aside to help grow small, Canadian businesses and provide them opportunities to contract with the Government of Canada.

Bidders who meet the set-aside criteria and submit a proposal under **EN578-23IS15 (TS9)** are precluded from bidding under **EN578-23IS16 (TS10)**, published on CanadaBuys.

1.4 Pathway to Commercialization

The Pathway to Commercialization program is intended to establish a list (“PTC List”) of qualified innovations developed under the ISC Program that are beyond TRL 9 and are ready for commercialization. The PTC List is a list that departments may consult as options to meet their requirements, and inclusion on the PTC List as part of this PTC Program allows Canada to apply a small business set-aside.

Eligible, small businesses who demonstrate successful completion of an initial Testing Stream Contract may be eligible to submit a proposal for the Pathway to Commercialization. To be placed on the PTC List, small businesses will be required to, initially certify that they are a small business and demonstrate how their innovation continues to meet their respective ISC requirements and provide a realistic commercialization plan. Should a Bidder qualify, the Small Business certification will be thoroughly re-validated prior to the contract award process. Eligible small businesses who wish to participate will be required to comply with and meet the Entry Criteria outlined at Appendix 5. The innovation inclusion onto the PTC List will remain active for a period of up to three years after notice of qualification. Canada has no obligation to procure from this list and will determine the procurement strategy for each potential contract.

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1.5 Voluntary Partial Set-aside for Indigenous Business

A portion of the funds for this procurement are being voluntarily set aside for Indigenous Businesses.

1.5.1 Who is eligible?

- a. An Indigenous business, which can be:
- i. a band as defined by the *Indian Act*
 - ii. a sole proprietorship
 - iii. a limited company
 - iv. a co-operative
 - v. a partnership
 - vi. a not-for-profit organization

in which Indigenous persons have at least 51 percent ownership and control,

OR

- b. A joint venture consisting of two or more Indigenous businesses or an Indigenous business and a non-Indigenous business(es), provided that the Indigenous business(es) has at least 51 percent ownership and control of the joint venture.

The supplier must certify in its submitted bid that it is an Indigenous business or a joint venture constituted as described above.

1.6 Who Can Submit a Proposal

Bidders are required to certify program eligibility as part of their proposal. Selected Bidders will be required to re-certify eligibility at any phase under the ISC program. In order to remain eligible for the Testing Stream, eligibility criteria must be met at all times.

- **Canadian Bidder:** The Bidder must meet the definition of a Canadian Bidder.
- **Canadian Content:** 80% of the financial proposal costs must be Canadian goods or Canadian services, as defined in the Canadian Content certification.
- **Ownership:** The Bidder must be the owner of the Intellectual Property (IP) for the proposed innovation, or have a licence to the IP rights from a Canadian licensor for the proposed innovation and not be infringing on any IP rights.
- **Pre-Commercial Status:** The proposed innovation must not be openly available in the marketplace, and must not have been previously sold on a commercial basis as of the date of this bid submission.
- **Previously Pre-qualified Innovation:** The proposed innovation or any other versions of the proposed innovation must not have been previously awarded a contract in the Build in Canada Innovation Program (BCIP)


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or its predecessor, the Canadian Innovation Commercialization Program (CICP), nor under the Innovative Solutions Canada (ISC) Testing Stream. The proposed innovation or any other versions of the proposed innovation must not currently be active in a pool of pre-qualified innovations in any of the above.

A proposed Innovation that is currently active in a pool will be accepted only once the bid validity period for that proposal has expired or the Bidder has withdrawn their innovation from the relevant pool, prior to solicitation closing date, in collaboration with the Contracting Authority. The Bidder agrees that having previously pre-qualified into a pool does not guarantee conditionally qualifying under the current solicitation.

- **Maximum Funding: Maximum Funding:** The Bidder's Financial Proposal must not exceed \$1,150,000.00 CAD in the Standard Problem Statements and must not exceed \$2,300,000.00 CAD in the Military Problem Statements, (applicable taxes, shipping, and travel and living expenses are extra, as applicable).
- **Small Business Set-Aside (SBSA):** The following eligibility criteria must be met in order to submit a proposal under the Small Business Set-Aside:

The Bidder must:

- Be for profit;
- Have 499 or fewer Full-Time Equivalent (FTE) employees, including affiliates;
- Have research and development activities that take place in Canada;
- Currently pay at least 50% of its annual wages, salaries and fees are currently paid to employees and contractors who spend the majority of their time working in Canada*;
- Have 50% or more of its FTE employees have Canada as their ordinary place of work*;
AND
- Have 50% or more of its senior executives (Vice President and above) have Canada as their principal residence*.

* Calculations must take into account and include affiliated businesses, such as parent companies and subsidiaries that are either in or outside of Canada.

Under the Innovative Solutions Canada program, an "affiliate" relationship exists in the following situations:

- An affiliate is a corporation that is a subsidiary of another corporation
- If a corporation has two subsidiary corporations, the two subsidiaries are affiliates of each other; or
- If two corporations are controlled by the same individual or business, the two corporations are also affiliates of each other.

A subsidiary is understood to be a business which has more than 50% of its ordinary shares or voting power owned by another business or individual.

- **Program Eligibility:** The Bidder's proposal must be aligned with the mandate of the ISC Testing Stream where Canada procures, through a Contract, the Bidder's Innovation with the purpose of testing it in an operational environment.



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1.7 Trade Agreements

Canadian Free Trade Agreement

This procurement is set aside from the Canadian Free Trade Agreement (CFTA) in accordance with Article 504, item 13, which states:

This Chapter does not apply to procurement that is part of a small business set-aside program provided that the program is fair, open, transparent, and does not discriminate on the basis of origin or location within Canada of goods, services, or suppliers.

Notwithstanding the Small Business set aside above, PTC Contracts are considered commercial and therefore CFTA is applicable for any resulting PTC Contracts.

World Trade Organization – Agreement on Government Procurement

Research and Development services are excluded from the application of the *World Trade Organization - Agreement on Government Procurement (WTO-AGP)* under Appendix 1, Annex 4 as they are not one of the applicable commodities listed in this agreement.

This procurement is set aside from WTO-AGP in accordance with Appendix 1, Canada's General Notes, article 1(d), which states:

Notwithstanding anything in these Annexes, the Agreement does not apply to procurements in respect of: (d) set-asides for small and minority businesses;

Notwithstanding the R&D contracts exclusions above, PTC Contracts are considered commercial and therefore WTO -AGP is applicable for any resulting PTC Contracts.

Canada-European Union Comprehensive Economic and Trade Agreement

Research and Development services are excluded from the Canada-European Union Comprehensive Economic and Trade Agreement (CETA) as per Annex 19-5 as they are not one of the applicable commodities listed in this agreement.

Notwithstanding the R&D contracts exclusions above, PTC Contracts are considered commercial and therefore CETA is applicable for any resulting PTC Contracts.

Comprehensive and Progressive Agreement for Trans-Pacific Partnership

Research and Development services are excluded from the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) as per Chapter 15 A, Section E.1.

This procurement is set aside from CPTPP in accordance with Chapter 15 A, Section G.3.(a), which states:

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Chapter 15 (Government Procurement) shall not apply to:

(a) any form of preference, including set asides, to benefit micro, small and medium enterprises;

Notwithstanding the R&D contracts exclusions above, PTC Contracts are considered commercial and therefore CPTPP is applicable for any resulting PTC Contracts.

Canada - Chile Free Trade Agreement

Research and Development services are excluded from the Canada - Chile Free Trade Agreement (CCFTA) as per Annex Kbis-01.1-5 Services, Section B excluded services.

Section B - Excluded Coverage: Services - Exclusions by Major Service Category

Research & Development, all Classes; Special Studies and Analysis - not R&D B002, B003, B400, B503,B507; are EXCLUDED

Notwithstanding the R&D contracts exclusions above, PTC Contracts are considered commercial and therefore CCFTA is applicable for any resulting PTC Contracts.

Canada - Colombia Free Trade Agreement

Research and Development services are excluded from the Canada - Colombia Free Trade Agreement (CCFTA) as per Annex 1401-4 Services, Section B, Part 1, excluded services:

Research & Development, all Classes; Special Studies and Analysis - not R&D B002, B003, B400, B503,B507; are EXCLUDED

Notwithstanding the R&D contracts exclusions above, PTC Contracts are considered commercial and therefore CCFTA is applicable for any resulting PTC Contracts.

Canada - Honduras Free Trade Agreement

Research and Development services are excluded from the Canada – Honduras Free Trade Agreement (CHFTA) as per Annex 17.4, Section B Excluded coverage, Part I - Service Exclusions by Major Service Category:

Research & Development, all Classes; Special Studies and Analysis - not R&D B002, B003, B400, B503,B507; are EXCLUDED

Notwithstanding the R&D contracts exclusions above, PTC Contracts are considered commercial and therefore CHFTA is applicable for any resulting PTC Contracts.

Canada - Korea Free Trade Agreement


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Research and Development services are excluded from the Canada – Korea Free Trade Agreement (CKFTA) as per Annex 14-C of Chapter Fourteen: Government Procurement. This Chapter covers the Universal list of Services applicable to this Agreement unless otherwise specified.

This Chapter does not cover procurement of the following:

(a) services for the management and operation of government facilities or privately owned facilities used for government purposes, including federally-funded research and development;

Notwithstanding the R&D contracts exclusions above, PTC Contracts are considered commercial and therefore CKFTA is applicable for any resulting PTC Contracts.

Canada - Panama Free Trade Agreement

Research and Development services are excluded from the Canada – Panama Free Trade Agreement (CPFTA) as per Annex 5 Services, Section B, Part 1, excluded coverage:

Research & Development, all Classes; Special Studies and Analysis - not R&D B002, B003, B400, B503, B507; are EXCLUDED

Notwithstanding the R&D contracts exclusions above, PTC Contracts are considered commercial and therefore CPFTA is applicable for any resulting PTC Contracts.

Canada - Peru Free Trade Agreement

Research and Development services are excluded from the Canada-Peru Free Trade Agreement (CPFTA), as per Annex 1401.1-4 Section B, Part1, Excluded Services:

Research & Development, all Classes; Special Studies and Analysis - not R&D B002, B003, B400, B503, B507; are EXCLUDED.

Notwithstanding the R&D contracts exclusions above, PTC Contracts are considered commercial and therefore CPFTA is applicable for any resulting PTC Contracts.

Canada - United Kingdom Trade Continuity Agreement

Research and Development services are excluded from the Canada United Kingdom Trade Continuity Agreement (CUKTCA) as per CETA Chapter 19-5:

Exclusions

Canada and the EU have maintained the ability to protect human health, the environment, national security and public safety, and excluded certain sectors from CETA government procurement obligations (such as research and development; financial services; public administration; recreational; cultural; sporting; educational; social; and healthcare services). The agreement also sets out a number of country-specific exclusions.

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Notwithstanding the R&D contracts exclusions above, PTC Contracts are considered commercial and therefore CUKTCA is applicable for any resulting PTC Contracts.

Canada - Ukraine Free Trade Agreement

Research and Development services are excluded from the Canada – Ukraine Free Trade Agreement (CUFTA) as per Annex 10-4 Services:

(c) research and development services identified in division 85 of the United Nations Provisional Central Product Classification (CPC Prov.), which may be found at: UN Classifications Registry;

Notwithstanding the R&D contracts exclusions above, PTC Contracts are considered commercial and therefore CUFTA is applicable for any resulting PTC Contracts.

1.8 Canadian Content
A3050T (2020-07-01) Canadian Content Definition

This requirement is limited to Canadian goods and Canadian services.

1.9 Conflict of Interest

The Contractor, its subcontractor(s) or any of their agent(s) directly or indirectly involved in the performance of the Work and/or in the production of the deliverables under any resulting Contract will not be precluded from bidding on any potential future proposal solicitation related to the production or exploitation of any concept or prototype developed or delivered.

1.10 Potential Conditions

The following conditions may apply to any resulting contract(s), based on the Innovation and the Government of Canada organizations' requirements:

1.10.1 Security Requirements

A security requirement may be associated with this requirement. For more information on personnel and organization security screening or security clauses, Bidders should refer to the Public Works and Government Services Canada Controlled Goods Program Website.

1.10.2 Controlled Goods Program

Any resulting contract may be subject to the Controlled Goods Program. Refer to Controlled Goods Program Website.

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The Federal Contractors Program (FCP) for employment equity may apply to this procurement. Refer to Appendix 4 – Certifications and Additional Information.

1.10.4 Comprehensive Land Claim Agreements (CLCA)

The region of delivery for the goods and/or services may be subject to Comprehensive Land Claims Agreements (CLCAs).

1.11 Innovative Solutions Canada (ISC) Testing Stream Definitions

The definitions, at Appendix 2 – General Definitions, outline the terminology employed throughout this solicitation and are complementary to the terms and conditions of the solicitation and any resulting contract.


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PART 2 - BIDDERS INSTRUCTIONS
2.1 Standard Instructions, Clauses and Conditions

Term (used in this document)	Term (2003 Standard Instructions)
Call for Proposals (CFP)	Solicitation
Proposal	Bid

All instructions, clauses and conditions identified in the proposal 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>) issued by Public Works and Government Services Canada.

Bidders who submit a proposal agree to be bound by the instructions, clauses and conditions of this Call for Proposals solicitation and accept the clauses and conditions of the resulting contract at Appendix 3.

The 2003 (2023-06-08) Standard Instructions – Goods or Services – Competitive Requirements, are incorporated by reference into and form part of the proposal solicitation, and are amended as follows:

a) At Section 05, Submission of Bids, subsection 2(d)

Delete: In its entirety.

b) At Section 05, Submission of Bids, subsection 4:

Delete: Proposals will remain open for acceptance for a period of not less than 60 days from the closing date of the proposal solicitation, unless specified otherwise in the proposal solicitation.

Insert: Proposal Validity Period

Proposals will remain open for acceptance for a period of not less than 16 months from the date of proposal submission.

Proposal Validity Extension:

Conditionally qualified Bidders may be requested to extend the validity of their proposal beyond the 16 month period.

c) **Delete** the following sections in their entirety:

Section 06 Late Bids

Section 07 Delayed Bids

Section 08 Transmission by Facsimile or by Canada Post Corporation's (CPC) Connect service

Section 09 Customs Clearance

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d) At Section 14, Price Justification:

Delete: In the event that the Bidder's bid is the sole responsive bid received, the Bidder must provide, on Canada's request, one or more of the following price justification:

Insert: For all qualified proposals eligible for Contract award, the Bidder must provide, on Canada's request, one or more of the following price justification:

2.2 Enquiries - Solicitation Period

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

Bidders should reference as accurately as possible the numbered item of the solicitation documents 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 Bidders 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.

2.3 Contracting Authority

The Contracting Authority for this Call for Proposals solicitation is:

Public Works and Government Services Canada

Procurement Branch

Research and Development Procurement Directorate (RDPD)

Email: TPSGC.PASICVoletessai-APISCTestingStream.PWGSC@tpsgc-pwgsc.gc.ca

2.4 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 at time of the Contract award process.

**Innovative Solutions Canada****Testing Stream****Call for Proposals TS9****EN578-23IS15****2.5 Public Announcements****2.5.1 For Department of National Defence (DND)**

For contracts awarded on behalf of the Department of National Defence (DND), the Government of Canada retains the right to make primary contract announcements. Canada and the Contractor shall consult with each other, after contract award, about all proposed news releases or public announcements relating to the Contract. This is to provide all parties sufficient notice of key project communications, and, where appropriate, the time to determine a course of action (including a mutually agreed date and location), line up representatives and prepare joint material. Notwithstanding the advance notice requirement, consent shall not be unreasonably withheld by either Party if a news release or public announcement must be issued in less than 15 business days as the result of unforeseeable circumstances, including matters of public safety or where an emergency response is required.

2.5.2 For Non-DND

As a courtesy and in order to coordinate any public announcements pertaining to any resulting contract, the Government of Canada requests that successful Bidders notify the Contracting Authority 5 business days in advance of their intention to make public an announcement related to a pre-qualification, a contract award, or any information related to the contract. The Government of Canada retains the right to make primary contract announcements.

2.6 CertificationsA3015T (2014-06-26) – Certifications - Bid

Compliance with the certifications bidders provide to Canada is subject to verification by Canada during the bid evaluation period (before award of a contract) and after contract award. The Contracting Authority will have the right to ask for additional information to verify bidders' compliance with the certifications before award of a contract. The bid will be declared non-responsive if any certification made by the Bidder is untrue, whether made knowingly or unknowingly. Failure to comply with the certifications or to comply with the request of the Contracting Authority for additional information will also render the bid non-responsive.

Innovative Solutions Canada**Testing Stream****Call for Proposals TS9****EN578-23IS15****PART 3 – PROPOSAL PREPARATION AND SUBMISSION INSTRUCTIONS****3.1 Proposal Submission**

- 3.1.1 Bidders are solely responsible for ensuring their proposal is received by PWGSC prior to the solicitation closing date and time. Proposals received after the specified period will not be considered.
- 3.1.2 Bidders must submit their proposal using the Testing Stream Electronic Proposal Submission Form. The form can be found by clicking the “Apply/Login” button on [the ISC website after selecting the appropriate topic under “Open funding opportunities”](#) menu. Proposals that are submitted in an alternate format will not be accepted.
- 3.1.3 When a proposal is submitted, an automated email is sent to the Bidder. This email serves as confirmation of receipt.
- 3.1.4 If a large number of Bidders access the web-based system at the same time, the electronic submission of proposals may be delayed.
- 3.1.5 All proposals submitted will be bound by the same terms, conditions and limitations. For all proposals submitted, any text submitted above the character limit specified in the Electronic Proposal Submission Form will not be evaluated.
- 3.1.6 Bidders may submit multiple proposals, ensuring that each proposal is for a different Innovation. One proposal may be submitted per innovation. The same innovation may not be submitted for different problem statements.
- 3.1.7 Each proposal will be evaluated separately on its own merit. If more than one proposal is submitted for the same Innovation, only the last proposal submission will be considered. The last proposal submission will be determined by the system time stamp.

3.2 Proposal Submission Difficulties

- 3.2.1 Should there be technical difficulties accessing or using the web-based system, or the Testing Stream Electronic Proposal Submission Form, Bidders must advise the Contracting Authority, prior to the solicitation closing date and time, at: TPSGC.PASICVoletessai-APISCTestingStream.PWGSC@tpsgc-pwgsc.gc.ca.

3.3 Technical Proposal

- 3.3.1 The Bidder’s responses to the criteria presented in the electronic Proposal Submission Form will form the Bidder’s Technical Proposal. Bidders should respond to each criterion in a thorough, concise and clear manner within the allotted character count for each criterion. Bidders should explicitly demonstrate, in sufficient detail, how all criteria are met.

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- 3.3.2 To maintain the integrity of the evaluation, Evaluators will consider only information presented in the proposal submitted prior to the solicitation closing date and time. No information will be inferred and personal knowledge or beliefs will not be utilized in the assessment.
- 3.3.3 Canada will not evaluate attachments nor information such as references and/or hyperlinks to websites where additional information can be found.

3.4 Financial Proposal

- 3.4.1 Bidders must complete the Financial Proposal set out in the Electronic Proposal Submission Form. Responses provided in the Electronic Proposal Submission Form will form the Bidders financial proposal under the CFP.
- 3.4.2 The Bidder's Financial Proposal must not exceed the selected Problem Statement's maximum contract value. The maximum contract value for the Standard Problem Statements is **\$1,150,000.00 CAD**, and is **\$2,300,000.00 CAD** for the Military Problem Statements, (applicable taxes, shipping, and travel and living expenses are extra, as applicable).

Any dollar value exceeding the maximum contract value will be the Bidder's commitment of co-investment funding to any resulting contract.
- 3.4.3 Should a proposal become conditionally qualified and a Government of Canada Organization match identified, the Financial Proposal submitted will be negotiated in accordance with the Statement of Work (SOW).
- 3.4.4 The Financial Proposal must not include costs for commercial development activities such as quantity production, supply to establish commercial viability, integration, customization, incremental adaptations and improvements to existing products or processes that have been previously commercialized, third party tested or for the cost of obtaining health and safety / regulatory certifications.
- 3.4.5 This procurement does not offer exchange rate fluctuation risk mitigation. Requests for exchange rate fluctuation risk mitigation will not be considered. All proposals including such provision will render the proposal non-responsive.

3.5 Certifications and Additional Information

- 3.5.1 Certifications required with the Bidder's proposal are identified in the Electronic Proposal Submission Form.
- 3.5.2 Certifications and additional information that may be required precedent to contract award are identified in Appendix 4 - Certifications and Additional Information.

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PART 4 - EVALUATION PROCEDURES
4.1 Evaluation Procedures

4.1.1 Proposals will be assessed in accordance with the entire requirement including supplier diversity in accordance with Appendix 6 - and the evaluation criteria identified in the electronic Proposal Submission Form in accordance with Appendix 1 - Evaluation Grid.

4.1.2 An evaluation team (“Evaluators”) composed of the National Research Council – Industrial Research Assistance Program (NRC-IRAP), PSPC and/or subject matter experts from other government departments will evaluate the proposals. If required, Canada may use external subject matter experts to evaluate any proposal. External subject matter experts will be required to confirm they are not in a conflict of interest, and sign a non-disclosure agreement.

For the purposes of this solicitation, Canada will utilize a two stage proposal evaluation process. All proposals will be assessed for their compliance in accordance with the process outlined at section 4.2. Following the compliance review, should clarifications or additional supporting information be required for the proposal to be deemed compliant, the Contracting Authority reserves the right to seek clarification by means of a Compliance Assessment Report (CAR) with the Bidder describing the issue that lead to a determination of non-compliance.

4.1.3 In addition to any other time periods established in the solicitation, if Canada seeks clarification from the Bidder, the Bidder will have up to 2 working days (or a longer period if specified in writing by the Contracting Authority) to provide the necessary information to Canada. Failure to meet this deadline may result in the proposal being declared non-responsive.

4.1.4 This Two Stage Proposal Evaluation Process shall not limit Canada’s rights under SACC 2003 (2023-06-08) Standard instructions – Goods or Services – Competitive Requirements nor Canada’s right to request or accept any information during the solicitation period or after solicitation closing in circumstances where the solicitation expressly provides for this right.

4.2 Two Stage Proposal Evaluation
4.2.1 Process

- Stage 1 – Proposal Review and Compliance Assessment Report (CAR) of the Mandatory (MC), Screening (SC) and Point Rated Screening (PS) criteria; and
- Stage 2 – Proposal Evaluation

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- 4.2.1.1 Evaluators will review and assess the proposal in accordance with Stage1 – Proposal Review and Compliance Assessment Report at 4.2.2 to determine if the proposal requires clarification or additional supporting data to comply with the MC, SC, and PS evaluation requirements.
- 4.2.1.2 If the Contracting Authority determines that clarification or additional supporting data is needed, the Contracting Authority will identify those in a Compliance Assessment Report (CAR) that will be issued to the Bidder for response within the timelines identified therein by the Contracting Authority.
- 4.2.1.3 The decision to provide a response to the CAR is at the sole discretion of the Bidder and will be completed solely by the Bidder. Canada will not provide information about any other proposal or any information as to how a Bidder should complete its response, if any, to the CAR.
- 4.2.1.4 For those instances where a Bidder chooses not to submit a response to the CAR, only the original response for that criterion will be considered in order to complete the proposal evaluation process. The Bidder will only be provided with one opportunity to respond to the CAR.
- 4.2.1.5 Bidders' response to the CAR will be deemed to supplement only the information identified in the CAR and will be considered during Stage 2 – Proposal Evaluation, to finalize the proposal evaluation process.
- 4.2.1.6 Canada requests that Bidders clearly indicate, for each response, which requirement identified in the CAR is being responded to.
- 4.2.1.7 Proposals that do not require clarification or additional supporting data during Stage 1 – Proposal Review and CAR, will proceed to Stage 2 – Proposal Evaluation, without notification to the Bidder and without a CAR being issued.

4.2.2 Stage 1: Proposal Review and CAR of the MC, SC and PS Evaluation Requirements

The CAR will include an overview of areas of the Bidder's proposal that require clarification(s) or additional supporting data:

- i. Where information provided in the proposal is not sufficient for evaluators to make a determination; and/or
 - ii. Where there appears to be an administrative omission, which is defined as something that the Bidder inadvertently did not reference in their proposal that was required at the time of proposal submission, such as reference to a patent or certification they have but did not mention, etc.
- 4.2.2.1 Permitted Bidder Response to the CAR:
- i. Bidders may submit a response only to those items specifically identified in the CAR. The response must be in accordance with the evaluation requirements stated for that particular criteria. Any other information submitted will not be considered;
 - ii. The Bidders response to items specifically identified in the CAR may include:
 - 1. additional or different information to clarify and demonstrate to Canada, in accordance with the CFP, that the proposal is responsive to the CFP requirements; and/or

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2. any administrative omissions regarding information that was available and valid at the time of proposal submission but inadvertently not referenced in the proposal.

- iii. Bidders will be provided only one opportunity to respond to a CAR.

4.2.2.2 Compliance Assessment Report (CAR)

The CAR will be issued by email to the Bidder's identified point of contact in its proposal. Bidders who receive a CAR are requested to provide written confirmation of receipt to the Contracting Authority within 24 hours.

Bidders must submit all information in response to a CAR to the Contracting Authority by email at the email addressed identified in the CAR.

Bidders will have two business days following the receipt of the CAR to provide information in response to the non-compliance(s) identified in the CAR. If a Bidder chooses not to submit information in response to a CAR, the Bidder shall be deemed to have provided a "No Change" response and the original information submitted in the original proposal shall continue to apply for all purposes of the evaluation procedures.

- #### 4.2.2.3
- Bidders may only submit information necessary to render their proposal compliant with the Mandatory, Stage 1 and Stage 2 Technical Evaluation Requirements which they have failed to meet as identified in the CAR. Canada will not consider any information submitted in response to a CAR that would result in the Bidder proposing a new or different information from what was proposed in its original proposal.

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4.2.3.1 In Stage 2, Evaluators will complete the evaluation of the MC, SC and PS Evaluation Requirements for all proposals in accordance with section 4.3.1, 4.3.2. and 4.3.3.

If Canada determines that, where applicable, notwithstanding the information received in response to a CAR, a proposal continues to be non-responsive with the MC, SC, and/or PS Evaluation Requirements, or should information submitted by a Bidder render other parts of the proposal non-compliant, Canada will declare the proposal non-responsive and the proposal will receive no further consideration.

If Canada determines that, when a CAR was issued regarding a PS Evaluation Requirement, the information received in response to a CAR allows a proposal to meet all of the PS Evaluation Requirements, the original score prior to CAR issuance will be used for the total score should the proposal reach Point Rated Evaluation.

The proposals that meet all of the MC, SC, and PS Evaluation Requirements will be evaluated against the Point Rated Evaluation Criteria set out at 4.3.4.

4.2.3.2 Only referenced material included within the Bidder's proposal, or clarified upon request by the Contracting Authority, will be evaluated. Outside reference material included in the Bidder's proposal (such as links to websites, client references, 3rd party opinions, etc.) will not be considered. It is the sole responsibility of the Bidder to provide sufficient information so that their proposal can be adequately evaluated.

4.3 Evaluation Requirements**4.3.1 Mandatory Criteria**

Proposals must meet all mandatory criteria requirements identified in the online Proposal Submission Form in accordance with the evaluation grid at Appendix 1 in order to proceed to the next phase of the evaluation. Proposals that do not meet all mandatory criteria will be declared non-responsive.

4.3.2 Stage 1 Technical Evaluation

Proposals must meet all Stage 1 Technical Evaluation criteria requirements identified in the Electronic Proposal Submission Form in accordance with the evaluation grid at Appendix 1 in order to proceed to the next phase of the evaluation. Proposals that do not meet all Stage 1 Technical Evaluation criteria will be declared non-responsive.

4.3.3 Stage 2 Technical Evaluation

Proposals must meet all Stage 2 Technical Evaluation criteria identified in the Online Proposal Submission form in accordance with the evaluation grid at Appendix 1 in order to proceed to the next phase of the evaluation. Proposals that do not meet all point-rated screening criteria will be declared non-responsive.

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Proposals that meet all of the Stage 1 and Stage 2 Technical evaluation requirements will be evaluated and scored in accordance with the Stage 3 Technical evaluation criteria identified in the evaluation grid at Appendix 1.

Proposals must obtain a total overall minimum pass mark of 106 over 176 points out of all criteria with scores in Stage 1, Stage 2 and Stage 3 Technical Evaluation Criteria. Proposals not meeting the minimum overall pass mark will be deemed non-responsive and given no further consideration.



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4.4 Pool of Conditionally Qualified Proposals

4.4.1 The purpose of the pool is to create a list of potential innovations that ISC and participating departments may select from.

4.4.2 Placement into the Pool does not guarantee that a proposal will be selected or that a contract will be awarded.

4.4.3 Proposals that are deemed responsive and meet all other requirements of the CFP will be considered conditionally qualified and placed in a pool for the duration of the conditional qualification period. Once a conditional qualification period expires, a proposal is no longer considered conditionally qualified and cannot be considered for contract award.

4.4.4 The Conditional Qualification period:

The conditional qualification period will begin on the date Bidders are advised, in writing, by the Contracting Authority that they are conditionally qualified into the Program. (Date of successful Debrief Letter).

The conditional qualification period will end once the Program funding has expired OR 12 months from date of conditional qualification, whichever comes first.

Canada Reserves the right to modify the conditional qualification period at any time, for any reason.

4.4.5 The establishment of pools does not constitute a commitment on the part of Canada to award contracts. Contract award is conditional in accordance with Section 5.1 – Basis of Selection. Section 5.2 Contract Award Process outlines the requirements to be considered for contract award. The conditionally qualified pool will be published on the ISC Testing Stream website.

4.4.6 Set-aside of Unmatched Proposals

Canada reserves the right to set-aside any proposal that has not been matched within the conditional qualification period.

4.5 Debriefing

Each Bidder will be issued a detailed debrief letter stating whether they conditionally qualified and were placed into the pool or whether they were declared non-responsive, along with the final results of the evaluation. Upon receipt of this letter, Bidders may contact the Contracting Authority, by email, to discuss the final results of their proposal evaluation within 5 business days of the date of submission of the debrief letter.

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PART 5 – BASIS OF SELECTION

5.1 Proposal Selection

All proposals in the conditionally qualified pool will be considered for matching and Contract Award Process. Proposals which earn the highest overall pass mark may not be the proposals selected. Selection from a pool does not guarantee that a contract will be awarded. The Contract Award Process outlined in section 5.3 must be completed prior to a contract being awarded.

5.1.1 Method of Selection

Once interest in a conditionally qualified innovation has been expressed by ISC and participating departments, the Innovative Solutions Canada-Testing Stream (ISC-TS) will work with the Government of Canada organization and the Bidder to develop demonstration scenarios for the conditionally qualified innovation in an operational environment setting.

An assessment by ISC-TS will take place on a case-by-case basis to determine whether the program will proceed with funding approval. The following factors will be considered:

- Applicability of the innovation demonstration scenario to the mandate of the Government of Canada testing organization;
- Level of interest expressed in the innovation from across the Government of Canada (i.e. has there been significant/widespread interest expressed to the program regarding the innovation);
- Benefit of the innovation demonstration scenario to Government of Canada;
- Location(s) of the test, testing objectives, security requirements, and any other strategic considerations regarding the innovation;
- Readiness of the innovation for deployment in the operational environment identified as part of the demonstration scenario and speed of obtaining testing results;
- Alignment of project funding with program budget, considering both availability of program funding and the overall cost of the innovation stipulated in the Bidders Proposal.

The organization may select one proposal, more than one proposal or no proposal from the ISC Testing Stream pool. The decision to select a proposal is at the sole discretion of the interested department.

Two scenarios exist for proposal selection:

- 1) Proposal is reviewed and selected for contract negotiations. Contract Award Process (section 5.3) will be followed.
- 2) Proposal is reviewed but not selected; however, it has been placed in the conditionally qualified pool. Canada may revisit a pool at any time prior to the end of the conditional qualification period and make additional selections. This is at Canada's sole discretion.

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To be considered for contract award a proposal must:

- a) comply with all the requirements of the CFP solicitation;
- b) be placed in a Testing Stream conditionally qualified Pool;
- c) be selected by a Government of Canada organization;
- d) successfully complete the Contract Award Process as detailed in section 5.3 – Contract Award Process of the CFP before expiry of the conditional qualification period.

5.3 Contract Award Process

Once an innovation is matched with an interested department, the innovation will be deemed qualified and will proceed with the Contract Award Process detailed below. Recommendation for contract award will be determined based on the available budget and the success in completing the Contract Award Process. The Bidder will be informed of the result by means of detailed debrief letter.

5.3.1 Government of Canada Organization Match

The ISC Testing Stream will seek to match all conditionally qualified proposals to identify a Technical Authority who will be responsible for the testing and assessment of the Innovation. Information provided in the proposal will be used to promote the Innovation to the interested Testing organization. It is important to note that the ISC Testing Stream will procure Innovations based on operational needs of and for goods and services that support the testing organization's mandate.

Innovations that are not matched during the proposal validity period will be released from the Program and given no further consideration. Bidders will be informed by the ISC Program directly in such cases.

5.3.2 Statement of Work (SOW)

Once a match has been identified, the ISC Testing Stream will facilitate collaboration between the Testing Organization's Technical Authority and the Bidder to develop a Statement of Work (SOW), based on the proposed demonstration scenario and the Financial Proposal. The SOW is negotiated to ensure both the Bidders' and testing organization's needs are met within the framework of the Program. The SOW must represent a benefit to Canada.

Once accepted by the testing organization and the Bidder, the final SOW will be presented to the Client Authority for approval. If approved, the SOW will be sent to the Contracting Authority for review and inclusion into the resulting Contract.

5.3.3 Financial Capability and Certifications

The Contracting Authority may request financial information to verify the Bidder's capacity to undertake the Work.

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If a Bidder fails to demonstrate adequate financial resources to complete the Work a contract may not be awarded.

The following financial documents may be requested by the Contracting Authority:

- Audited and/or unaudited financial statements
- Balance sheet
- Statement of retained earnings
- Income statement
- Detailed monthly cash-flow statement
- Statement showing bank account balance
- Certification from authorized signing officer attesting to the accuracy of information
- Any other financial-related documents

Should a Bidder fail to demonstrate adequate financial resources to complete the Work, or fails to provide the certifications and additional information, the proposal will be considered non-responsive and given no further consideration.

5.3.4 Contract Negotiations

Upon completion of the SOW, the Contracting Authority will initiate the negotiations for the following:

- (a) request a cost breakdown and provision of price support from the bidder to support the costs;
- (b) request additional certifications and other information required before contract award; and
- (c) provide a draft copy of the contract terms and conditions.

The Contracting Authority will verify that all costs are fair and reasonable. If a cost cannot be supported the cost may not be included in the contract. Failure to achieve consensus on any aspect of the negotiations will result in the proposal being set aside and not given any further consideration.

5.3.5 Contract Award

Upon successful completion of the Contract Award Process proposals will be recommended for contract award.

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PART 6 - SUBSEQUENT PURCHASES CONTRACTS
6.1 Objective

The objective of subsequent purchases Contracts is to allow the same, different or several Government of Canada organizations to conduct further testing of Innovations acquired under ISC Testing Stream in a different environment, under different conditions or in order to broaden the base of test results.

6.2 Subsequent Purchases Period

The period to award a research and development (R&D) Contract (also referred to as “subsequent purchases Contracts”) to acquire additional quantities under the subsequent purchases for testing component of the ISC Testing Stream begins on the date indicated on page 1 of the initial ISC Testing Stream contract and ends on the same date three (3) years later.

Small businesses who apply and successfully enter the Pathway to Commercialization will no longer be admissible for any subsequent purchases.

6.3 Framework

Additional information on Subsequent Purchase Contracts is provided below.

- a) **Funding:** Subsequent purchases R&D Contracts will be funded by the Government of Canada Organization(s).
- b) **Maximum Contract Value:** The maximum contract value will respect the limits of the maximum per Contract amounts under the initial ISC Testing Stream Contract as follows:
 - o **Standard Problem Statements:** \$1,150,000.00 CAD (Applicable Taxes, shipping and Travel and Living expenses are extra, as applicable).
 - o **Military Problem Statements:** \$2,300,000.00 CAD (Applicable Taxes, shipping and Travel and Living expenses are extra, as applicable).
- c) **Eligible Innovations:** Innovations eligible for subsequent purchases must be the same or an improved version of the same Innovation tested under the initial ISC Testing Stream contract.
- d) **Subsequent purchases quantities:** A limited quantity of the Innovation may be tested. Mass production is not permitted. The definition of “limited quantity” and “mass production” are defined at [Appendix 2 - Definitions](#).
- e) **Duration of subsequent purchases contract:** Contract duration will be determined on a case by case basis. In general, the contract period for subsequent purchases will not exceed 12 months.

Parameters that could impact the contract duration include:

- i. Time required to conduct the test plan;

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- ii. Seasonal requirements;
 - iii. Manufacturing lead time;
 - iv. Government of Canada organization operational requirements, financial resources & personnel availability; and
 - v. Security Requirements.
- f) **Contracting Authority:** Public Services and Procurement Canada, Innovative Research Solutions Division (SC Division) will be the Contracting Authority for any resulting contract.
- g) **Required documents:** The Government of Canada organization (s) will be responsible for the development of the Statement of Work (SOW) including the Innovation demonstration scenario, performance metrics and, if applicable, the Security Requirements Check List (SRCL).
- h) **Government of Canada organization Attestation:** For all subsequent purchases, Canada will be required to attest that their requirement fits under the scope of the ISC Testing Stream and is meant to be for testing purposes.
- i) **Support:** ISC Testing Stream will support the Government of Canada Organization(s) by providing a SOW template and the original ISC Testing Stream contract SOW.
- j) **Limitations:**
- i. For Innovations that involve licenced software or software as a service (SaaS) subscription:
 - a) Entity (enterprise) licences will not be permitted;
 - b) Maximum period for a software licence or SaaS subscription will be 12 months, or less, based on term of Contract; and
 - c) Licences and SaaS subscriptions must be scaled to the test plan in the SOW.
 - ii. Procurements under subsequent purchases contracts will not create a fully installed or permanent operating base for the purposes of sole-source justification for future procurements.
 - iii. There will be a limit of three subsequent purchases Contracts per Innovation.
- k) **Terms and conditions:** R&D contracts for subsequent purchases for testing Innovations will be negotiated under the same terms, conditions and pricing structure as the initial ISC Testing Stream contract.

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Eligible small businesses who have received and completed an initial ISC contract as a result of CFP **EN578-23IS15** (TS9), and whose innovation has reached TRL 9 and are ready for market may participate in the Pathway to Commercialization process as per the framework of Part 7, below. These small businesses will be required to re-certify eligibility to enter the Pathway to Commercialization and meet Entry Criteria outlined in Appendix 5. Canada will thoroughly re-validate Small Business certification during the contract award process. Additionally, eligible small businesses will be required to agree to the new terms and conditions of any resulting Contract.

Small businesses who apply and successfully enter the Pathway to Commercialization will not be admissible for any subsequent purchases as per the framework outlined in Part 6. These small businesses will be added to the PTC list for Pathway to Commercialization. The inclusion of the innovation on the PTC List will be in effect for a period of 3 years.

7.1 Entry Period

The entry period to be added to the PTC List will begin upon successful completion of the initial ISC testing contract resulting from CFP **EN578-23IS15** (TS9) and end 12 months later.

If during this 12 month period an eligible small business has not submitted an application to the Pathway to Commercialization, the small business will no longer be able to enter the Pathway to Commercialization.

7.2 Objective

The objective of Pathway to Commercialization Contracts is to create a list of innovations that departments may consider as options to meet their requirements, and for which the small business set-aside may be applied in the procurement process.

7.3 Framework

All Contracts will be issued in accordance with the Treasury Board of Canada Secretariat (TBS) Directive on management of Procurement and the following framework:

- a) **Funding:** Contracts will be funded by a Government of Canada Organization interested in purchasing the Innovation.
- b) **Maximum Contract Dollar value:** Will be determined by Canada for each contract
- c) **Eligible Innovations:** Innovations eligible for a contract must be the same or an improved version of the same Innovation tested under the initial ISC Stream.
- d) **Contract Period:** Will be determined by Canada for each contract.
- e) **Contracting Authority:** Public Works and Government Services Canada will be the Contracting Authority.

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- f) **Required documents:** The Government of Canada Organization interested in procuring an innovation from the PTC List will be responsible for the development of the Statement of Work (SOW) including performance metrics and, if applicable, the Security Requirement Check List (SRCL).
- g) **Terms and conditions:** Contracts for Innovations will be aligned with government standard and commodity-specific terms and conditions.
- h) **Price:** Depending on the procurement strategy, price may be determined through a competitive process, or in the case of non-competitive process, Canada will ensure that fair and reasonable prices are negotiated.
- i) **Procurement Strategy:** Canada will determine the procurement strategy for each potential PTC contract, which may include a competitive or non-competitive approach. The PTC List does not confirm an exemption from the requirement for competition.


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APPLICABLE APPENDICES
APPENDIX 1 – EVALUATION GRID
Mandatory Criteria (MC)
MC1: Canadian Bidder

The Bidder must meet the definition of a Canadian Bidder. A Canadian Bidder is defined as a Canadian person or entity submitting a proposal on its own behalf and having a place of business in Canada where the person or entity conducts activities on a permanent basis that is clearly identified by name and accessible during normal working hours.

MC2: Canadian Content

80% of the financial proposal costs, the total proposal price to Canada stated in “Section –G Financial Proposal”, must be Canadian goods or Canadian services. For the complete Canadian content definition please refer to the [Canadian Content Definition A3050T \(2020-07-01\)](#) at Part 1, General Information, Article 1.5 of the solicitation documents.

MC3: Ownership

The Bidder must be the owner of the Intellectual Property (IP) for the proposed innovation, or have a licence to the IP rights from a Canadian licensor for the proposed innovation and not be infringing on any IP rights.

MC4: Pre-Commercial Status

The proposed innovation must not be openly available in the marketplace, and must not have been previously sold on a commercial basis as of the date of this bid submission. Refer to the definitions of *Pre-Commercial Innovation* and *Commercial Sales* at Appendix 2 of the solicitation documents.

MC5: Previously Pre-qualified Innovation

The proposed innovation or any other versions of the proposed innovation must not have been previously awarded a contract in the Build in Canada Innovation Program (BCIP) or its predecessor, the Canadian Innovation Commercialization Program (CICP), nor under the Innovative Solutions Canada (ISC) Testing Stream. The proposed innovation or any other versions of the proposed innovation must not currently be active in a pool of pre-qualified innovations. A proposed innovation that is currently active in a pool will be accepted only once the bid validity period for that proposal has expired or the Bidder has withdrawn their innovation from the relevant pool, prior to solicitation closing date.

Bidders may submit multiple proposals, ensuring that each proposal is for a different Innovation.. The same or similar proposals may not be submitted twice for different problem statements. If the proposed innovation is similar or identical to an innovation previously submitted by the bidder that is currently active in a pool and has not been withdrawn prior to solicitation closing, the following assessment will be used to determine sufficient difference to proceed.

Pass	Sufficiently Different <ul style="list-style-type: none"> • A distinct product and/or service that has undergone a completely separate path of R&D or that diverged early in technology development. • Significant modifications to the application of the previous technology or components of the technology, applied in a setting or condition which was not possible or feasible for the pre-qualified or contracted innovation; OR • A significant improvement in functionality, cost or performance over the pre-qualified or contracted innovation.
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Fail	Not Sufficiently Different <ul style="list-style-type: none"> • Incremental improvements; • Technologies that follow a normal course of product development (i.e. the next version or release); OR • Stated differences are not quantified or are inadequately described. 	
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MC6: Maximum Funding

The Bidder's Financial Proposal must not exceed \$1,150,000 CAD in the Standard Component, or \$2,300,000 CAD in the Military Component, not including applicable taxes, shipping costs, and travel and living expenses, where applicable. Refer to Section G – Financial Proposal.

MC7: Program Eligibility

The Bidder's proposal must be aligned with the mandate of the ISC Testing Stream where Canada procures, through a Contract, the Bidder's Innovation with the purpose of testing it in an operational environment.

MC8: Small Business

The Bidder must be a for-profit person or entity, with 499 or fewer full-time equivalent (FTE) employees. This calculation must take into account and include affiliated businesses, such as parent companies and subsidiaries that are either in or outside of Canada.

MC9: Bidder Presence in Canada

The Bidder must meet the following minimum requirements: 50% or more of the Bidder's FTE employees have Canada as their ordinary place of work; 50% or more of the Bidder's annual wages, salaries and fees must be paid to employees and contractors who spend the majority of their time working in Canada; and 50% or more of the Bidder's senior executives (Vice President and above) have Canada as their principal residence. These calculations must take into account and include affiliated businesses, such as parent companies and subsidiaries that are either in or outside of Canada.


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Stage 1 Technical Evaluation – Screening Criteria (SC)
SC1: Innovation

The proposed innovation must meet **one or more** of the ISC definitions of innovation below:

- *An invention*, new technology or new process that is not currently available in the marketplace.*
- *Significant modifications to the application of existing technologies/components/processes that are applied in a setting or condition for which current applications are not possible or feasible.*
- *An improvement in functionality, cost or performance over an existing technology/process that is considered state-of-the-art or the current industry best practice.*

* An “**invention**” is defined for the purposes of the ISC as: “*A manufacturing design or any other new and useful improvement that is new or novel, that is, not commonly known or not an obvious derivative of an existing way of doing things.*”

Pass	The proposed innovation meets one or more of the ISC definitions of innovation.
Fail	<ul style="list-style-type: none"> • The proposed innovation does not meet any of the ISC definitions of innovation; OR • The proposed innovation is an incremental improvement, “good engineering”, or a technology that would go ahead in the normal course of product development (i.e. the next version or release).

SC2: Operational Readiness Validation

The Bidder must demonstrate that at the time of proposal submission, the proposed innovation is ready for testing in an operational environment, i.e. at minimum TRL 7 per the ISC Technology Readiness Level Scale.

Pass	<ul style="list-style-type: none"> • The Bidder has provided evidence demonstrating that, at minimum, the proposed innovation is a functional prototype (form, fit, and function) ready for demonstration in an appropriate operational environment, at the time of proposal submission; AND • The Bidder has provided evidence supporting that an operational demonstration of the proposed innovation is feasible.
Fail	<ul style="list-style-type: none"> • The proposed innovation is not ready for demonstration in any operational environment at the time of proposal submission or the Bidder has not provided evidence to that effect; OR • The Bidder has not provided evidence supporting that an operational demonstration of the proposed innovation is feasible.


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SC3: Safety Considerations

The Bidder must demonstrate that they have obtained or possess, **at the time of proposal submission**, the licences, and approvals required to safely deploy the proposed innovation, and that it poses no risks to individuals or Government of Canada organizations involved in an operational demonstration.

This is to ensure that a Government of Canada organization and personnel are not exposed to safety or privacy risks during the conduct of the operational demonstration.

Pass	<p>At the time of proposal submission:</p> <ul style="list-style-type: none"> • The Bidder has demonstrated that they have obtained or possess the licences, and approvals required to <u>safely</u> deploy the proposed innovation; AND • No concerns remain regarding the physical safety and privacy of individuals that could be involved in an operational demonstration; AND • The proposed innovation does not pose organizational safety or security concerns for a Government of Canada organizations when used in an operational setting. • The Bidder has demonstrated that they have identified the following risks: <ul style="list-style-type: none"> ○ Mitigating risks to the Government of Canada organization's equipment, data, personnel or operations, ○ Mitigating risks to broader population, infrastructure, or information, ○ Mitigating risks such as supply chain challenges, security screening, or otherwise during the conduct of a demonstration ○ Mitigating the risks of the proposed innovation failing or underperforming during deployment.; AND • The risks outlined in the demonstration scenario have mitigation strategies that are plausible and sufficiently described, but there is some residual risk.
Fail	<p>At the time of proposal submission:</p> <ul style="list-style-type: none"> • The Bidder has not demonstrated that they have obtained or possess the licences, and approvals required to <u>safely</u> deploy the proposed innovation; AND/OR • Concerns remain regarding the physical safety or privacy of individuals that could be involved in an operational demonstration; AND/OR • The proposed innovation may pose organizational safety or security concerns for a Government of Canada organizations when used in an operational setting. • The Bidder has demonstrated that they have not identified one of the following risks: <ul style="list-style-type: none"> ○ Mitigating risks to the Government of Canada organization's equipment, data, personnel or operations, ○ Mitigating risks to broader population, infrastructure, or information, ○ Mitigating risks such as supply chain challenges, security screening, or otherwise during the conduct of a demonstration ○ Mitigating the risks of the proposed innovation failing or underperforming during deployment.; AND • The risks that were outlined in the demonstration scenario have mitigation strategies that are plausible and sufficiently described, but there is moderate residual risk

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SC4: Scope – Outcomes

The Bidder must demonstrate that the proposed innovation provides a solution to the selected Problem Statement by the Bidder. In addition, the Bidder must demonstrate that the proposed innovation meets **one or more** of the **Outcomes** identified in the selected Problem Statement by the Bidder. Proposed innovations that possess characteristics and functionalities cited in the **out of scope Outcomes** will not be accepted

Pass	<ul style="list-style-type: none"> The proposed innovation is within the scope of the selected Problem Statement by the Bidder, and clearly addresses one or more of the Outcomes identified in the selected Problem Statement.
Fail	<ul style="list-style-type: none"> The proposed innovation is articulated as out of scope for the selected Problem Statement by the Bidder, OR; The proposal does not clearly demonstrate how the proposed innovation addresses any one of the Outcomes identified in the selected Problem statement by the Bidder, OR; The proposed innovation is poorly described and does not permit concrete analysis, OR; There is little to no scientific and/or technological evidence that the proposed innovation is likely to meet any of the Outcomes.

Stage 2 Technical Evaluation – Point-Rated Screening Criteria (PS)
PS1: Advance on State of the Art

The Bidder must demonstrate that the proposed innovation improves upon current approaches and state of the art, or current practices relevant to its purpose or application, in a manner that yields competitive advantages.

2 points	<ul style="list-style-type: none"> The proposed innovation improves minimally upon the current state of the art, though not sufficiently enough to create competitive advantages in existing market niches; OR The stated advancements are not substantiated with specific, measurable evidence.
12 points	<ul style="list-style-type: none"> The proposed innovation offers one or two minor improvements, and no significant improvements, to the state of the art that are not likely to create competitive advantages in existing market niches; OR The stated advancements are well-described in general, but are not substantiated with specific, measurable evidence.
24 points Minimum	<ul style="list-style-type: none"> The proposed innovation offers three or more minor improvements to the state of the art, that together are likely to create competitive advantages in existing market niches; OR The proposed innovation offers one significant improvement to the state of the art, that is likely to create competitive advantages in existing market niches.
40 points	<ul style="list-style-type: none"> The proposed innovation offers two or more significant improvements to the state of the art, that are likely to create competitive advantages in existing market niches and could define new market spaces; OR The proposed innovation can be considered a new benchmark of state of the art that is clearly ahead of competitors and that is likely to define new market spaces.


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PS2: Intellectual Property (IP) Strategy

The Bidder must demonstrate a suitable Intellectual Property (IP) strategy, relevant to protect IP generated by the proposed innovation and to protect the Bidder. This criteria also assesses the degree to which the strategy is appropriate to support successful commercialization.

0 points	The Intellectual Property (IP) strategy is insufficiently rationalized or substantiated, and is poorly suited for background IP or generated IP as they pertain to the proposed innovation.
8 points Minimum	<ul style="list-style-type: none"> The ongoing activities described and rationalized form a suitable IP strategy in terms of relevant background IP or generated IP, and enables the application of suitable protection where and when relevant, as they pertain to the proposed innovation; AND A path to effective monetization of the proposed innovation is generally described, and sufficiently adequate considering the maturity of the company and the sector or industry.
12 points	<ul style="list-style-type: none"> The activities described are well substantiated and form an IP strategy that addresses all relevant background IP and generated IP as they pertain to the proposed innovation, and will ensure the Bidder is protected; AND/OR The Bidder describes an IP strategy factoring considerations beyond the operational demonstration of the proposed innovation, for the effective and competitive leveraging of IP in terms of profitable exploitation and market access.

Stage 3 Technical Evaluation – Point Rated Criteria (PR)
PR1: Equity, Diversity, and Inclusion (EDI) Benefits

This criterion is intended to assess the degree to which the Bidder has sufficient measures to effectively achieve and maintain diversity, inclusivity and gender equity within; their business, supply chain, or business ecosystem.

Score levels reflect the number of the following elements the Bidder addressed in their answer:

- *Anti-discrimination policies;*
- *Recruitment strategy and hiring process;*
- *Training available to educate the Bidder's workforce on diversity and inclusion;*
- *How diversity and inclusion are factored into Bidder's supplier selection methods.*

0 points	Policies regarding diversity, inclusivity and gender equity are not identified, are insufficient, or do not appear genuine.
4 points	Information provided clearly demonstrates that the Bidder is implementing some measures (two (2) elements) to achieve and maintain diversity, inclusivity and gender equity.
8 points	Information provided clearly demonstrates that the Bidder is implementing most measures (three (3) elements) to achieve and maintain diversity, inclusivity and gender equity..
12 points	Information provided clearly demonstrates that the Bidder is implementing all measures (all four (4) elements) to achieve and maintain diversity, inclusivity and gender equity.



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Maximum available points from Stage 2 & Stage 3 : **64 points**

Minimum Total Score* from Stage 2 & Stage 3 to pre-qualify: 38 points

**If a PS criteria required a CAR in order to be met, the original pre-CAR score will be used for the Total Score. Refer to the solicitation documents.*


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APPENDIX 2 – GENERAL DEFINITIONS
Canadian Bidder

The Bidder must be Canadian and must be submitting the bid on its own behalf. A Canadian Bidder is defined as a Bidder having a place of business in Canada where the bidder conducts activities on a permanent basis that is clearly identified by name and accessible during normal working hours.

Canadian content

A minimum of 80% of the total proposal price must consist of Canadian goods and services. For the complete Canadian content definition please refer to the Canadian Content Definition A3050T (2020-07-01) that forms part of the solicitation documents.

Component and Maximum Contract Value

The Military and Standard components each have assigned Problem Statements, detailed below. The respective maximum contract value identified at Part 1, Article 1.1.1 will apply based on a Bidder's selected Problem Statement identified below, for a given topic. Bidders may not necessarily receive the component's total maximum contract value, which will be negotiated during the Contract Award Process.

Standard Component Problem Statement Topics:

- Clean Technology and Climate Change – Energy Generation, Storage, and Infrastructure
- Clean Technology and Climate Change – Bio-Products, Bio-Chemicals, and Waste Reduction
- Clean Technology and Climate Change – Low Carbon and Zero-Emissions Mobility
- Clean Technology and Climate Change – Assessment, Development and Adaptation to Environmental Change
- Health – Food Safety and Security
- Health – Health and Disease Prevention
- Health – Advanced and Emerging Medical Technologies

Military Component Problem Statement Topics:

- Military and Space – Advanced Sensor Technologies
- Military and Space – UAS C-UAS and UUV
- Military and Space – Digital Enablers

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Small Business

Small businesses eligible to submit a proposal must meet all of the following criteria:

- for profit
- 499 or fewer full-time equivalent (FTE) employees*
- research and development activities that take place in Canada
- 50% or more of its annual wages, salaries and fees are currently paid to employees and contractors who spend the majority of their time working in Canada*
- 50% or more of its FTE employees have Canada as their ordinary place of work*
- 50% or more of its senior executives (Vice President and above) have Canada as their principal residence*

* Calculations must take into account and include affiliated businesses, such as parent companies and subsidiaries that are either in or outside of Canada.

Full Time Equivalent Employee (FTE)

A full-time equivalent (FTE) employee is defined as receiving a T4 Statement of Remuneration Paid slip (or equivalent) from the applicant. One FTE is defined as at least 30 hours/week of paid labour. Part-time employees must be included as fractions of 1 FTE based on average labour hours compared to typical hours for 1 FTE employee.

Innovation

Advance on state of the art

A technology that is an advance on the highest level of development for current commercially available products or services. For the purposes of ISC, state of the art must meet the program's definition of innovation and is a key component against which innovations are evaluated to determine the level of advancement offered.

The ISC Testing Stream evaluates innovations against what is commercially available, and not against other proposals or other related pre-commercial innovations which may be a similar advance on the state of the art.

Innovation

- An invention, new technology or new process that is not currently available in the marketplace.
- Significant modifications to the application of existing technologies/process that are applied in a setting or condition for which current applications are not possible or feasible.
- An improvement to an existing technology/process that represents a significant (generally patentable) improvement in functionality, cost or performance of goods and services that are considered state of the art or the current industry best practice.
- Incremental improvements, "good engineering" and technologies that would go ahead in a normal course of product development (that is, the next version or release) are not considered "innovations" for the purposes of this program.

Invention

A manufacturing design or any other new and useful improvement that is new or novel, that is, not commonly known or not an obvious derivative of an existing way of doing things.



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Technology

- The practical application of science to commerce or industry;
- The science of applying scientific knowledge to practical problems;
- An innovation based in scientific and industrial progress; • Specific information and know-how required for development, production or use of good or service.

Commercialization

Pre-commercial innovation

Pre-commercial innovations are those in the phases of research and development prior to commercialization. Pre-commercial innovations have been developed to a Technology Readiness Level between 7 and 9. Precommercial innovations have not been produced in quantity, may have had some limited sales for the purpose of testing and demonstration, and are not readily available in the marketplace.

This can cover activities such as solution exploration, design and prototyping, up to the original development of a limited volume of goods or services in the form of a test series. Original development of a first good or service may include limited production or supply in order to incorporate the results of field-testing and to demonstrate that the good or service is suitable for production or supply in quantity to acceptable quality standards.

The ISC Testing Stream requires that all proposed innovations are in a state and scale such that testing may occur as of the date of proposal submission, with only limited adjustments needed depending on the needs of a testing department.

Commercialization

The process of bringing a new product or service to the market with the ability to produce and distribute quantities of said product or service on demand.

Commercial sales

Good or service that is openly available in the marketplace or has been sold to either individuals in the public or private sector, in its current state or service offering for non-testing or development purposes.

Limited quantity

Development of a first good may include limited production in quantity to achieve acceptable quality standards, but does not include quantity production to establish commercial viability.

Mass production The standardized production of an innovation in sufficient quantities to establish commercial viability.

Configuration and Customization

The ISC Testing Stream permits certain changes to qualified innovations matched with testing departments, while others are unacceptable. These changes fall into 2 main categories: configuration or customization. Although this

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distinction applies only to those innovations that have been conditionally qualified and matched, understanding the difference will aid the bidder in developing and writing a test plan.

Configuration

Configuration involves arranging or setting up fully functional and fully developed components of an innovation. Configuration is the process by which an innovation is made to function properly in a specific situation, in the environment in which it was originally intended to be used. This may include changes that are not essential to the functioning of the innovation, so long as they would not alter the result of testing or validation of the innovation during its development.

Configuration is an acceptable change under this program, should a proposed innovation be pre-qualified under the ISC Testing Stream.

Customization

Customization is the process of modifying fully functional and fully developed components of an innovation to meet the requirements of individual customers.

Customization is not an acceptable change under this program, should a proposed innovation be qualified under the ISC Testing Stream.

APPENDIX 3 – DRAFT RESULTING CONTRACT CLAUSES

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1. Statement of Work
2. Standard Clauses and Conditions
3. Security Requirements (if applicable)
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9. Certifications and Additional Information
10. Applicable Laws
11. Priority of Documents
12. Defence Contract (if applicable)
13. Foreign Nationals (Canadian Contractor) (if applicable)
14. Insurance
15. Controlled Goods Program (if applicable)
16. Progress Reports (if applicable)
17. Canadian Forces Site Regulations (if applicable) **OR** Government Site Regulations (if applicable)
18. Draft and Final Reports (if applicable)
19. Communications Notification
20. Access to Facilities and Equipment (if applicable)
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List of Annexes:

Annex “A”	Statement of Work
Annex “B”	Basis of Payment
Annex “C”	Security Requirements Check List (if applicable)
Annex “D”	Non-disclosure Agreement (if applicable)



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Annex "E" Sample Accommodations and Car Rental Government Rates Letter (if applicable)

Appendix (Appendices) (if applicable)

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The following are draft clauses and conditions that may form part of any contract resulting from the Call for Proposals solicitation. Canada reserves the right to negotiate, modify and/or add any contract terms and conditions.

1. Statement of Work

The Contractor must perform the Work in accordance with the Statement of Work at Annex ____ and the Contractor's technical proposal entitled _____, dated _____.

1.1 Work Authorization (if applicable (Phase or Task))

Despite any other condition of the Contract, the Contractor is only authorized to perform the Work required to complete (Phase or Task) of the Contract at a cost not to exceed \$ _____. Upon completion of (Phase or Task) the Work will be reviewed before the Contractor is authorized to commence any Work for (Phase or Task). Depending on the results of the review and evaluation of the Work, Canada will decide at its discretion whether to continue with the Work.

If Canada decides to continue with (Phase or Task), the Contracting Authority will advise the Contractor in writing to commence work on (Phase or Task). The Contractor must immediately comply with the notice.

If Canada decides not to proceed with (Phase or Task), the Contracting Authority will advise the Contractor in writing of the decision and the Contract will be considered completed at no further costs to Canada. In no event will the Contractor be paid for any cost incurred for unauthorized work.

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](https://buyandsell.gc.ca/policy-and-guidelines/standard-acquisition-clauses-and-conditions-manual) Manual (<https://buyandsell.gc.ca/policy-and-guidelines/standard-acquisition-clauses-and-conditions-manual>) issued by Public Works and Government Services Canada.

2.1 General Conditions

2040 (2022-12-01), General Conditions - Research & Development, apply to and form part of the Contract.

2.2 Supplemental General Conditions

One or more of the following supplemental general conditions may apply to and form part of the Contract:

4001 (2015-04-01), Hardware Purchase, Lease and Maintenance

4002 (2010-08-16), Software Development or Modification Services

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- 4003 (2010-08-16), Licensed Software
- 4004 (2013-04-25), Maintenance and Support Services for Licensed Software
- 4005 (2012-07-16), Telecommunications Services and Products
- 4008 (2008-12-12), Personal Information

2.3 SACC Manual Clauses

The following SACC Clauses may apply to and form part of the Contract:

- A9041C (2008-05-12), Salvage
- A9113C (2014-11-27), Handling of Personal Information
- D3010C (2016-01-28), Delivery of Dangerous Goods / Hazardous Products
- A9016C (2014-06-26), Hazardous Waste Disposal - Specific Requirements
- A9019C (2011-05-16), Hazardous Waste Disposal
- A9015C (2011-05-16), Experimental Animals

2.4 Protection and Security of Data Stored in Databases (if applicable)

1. The Contractor must ensure that all the databases containing any information related to the Work are located in Canada or, if the Contracting Authority has first consented in writing, in another country where:
 - (a) equivalent protections are given to personal information as in Canada under legislation such as the Privacy Act, R.S. 1985, c. P-21, and the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5, and under any applicable policies of the Government of Canada; and
 - (b) the laws do not allow the government of that country or any other entity or person to seek or obtain the right to view or copy any information relating to the Contract without first obtaining the Contracting Authority's written consent.

In connection with giving its consent to locating a database in another country, the Contracting Authority may, at its option, require the Contractor to provide a legal opinion (from a lawyer qualified in the foreign country) that the laws in that country meet the above requirements, or may require the Contractor to pay for Canada to obtain such a legal opinion. Canada has the right to reject any request to store Canada's data in a country other than Canada if there is any reason to be concerned about the security, privacy, or integrity of Canada's data. Canada may also require that any data sent or processed outside of Canada be encrypted with Canada-approved cryptography and that the private key required to decrypt the data be kept in Canada in accordance with key management and storage processes approved by Canada.



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2. The Contractor must control access to all databases on which any data relating to the Contract is stored so that only individuals with the appropriate security clearance are able to access the database, either by using a password or other form of access control such as biometric controls).
3. The Contractor must ensure that all databases on which any data relating to the Contract is stored are physically and logically independent (meaning there is no direct or indirect connection of any kind) from all other databases, unless those databases are located in Canada (or in another country approved by the Contracting authority under subsection 1) and otherwise meet the requirements of this article.
4. The Contractor must ensure that all data relating to the Contract is processed only in Canada or in another country approved by the Contracting Authority under subsection 1.
5. The Contractor must ensure that all domestic network traffic (meaning traffic or transmissions initiated in one part of Canada to a destination or individual located in another part of Canada) is routed exclusively through Canada, unless the Contracting Authority has first consented in writing to an alternate route. The Contracting Authority will only consider requests to route domestic traffic through another country that meets the requirements of subsection 1.
6. Despite any section of the General Conditions relating to subcontracting, the Contractor must not subcontract (including to an affiliate) any function that involves providing a subcontractor with access to any data relating to the Contract unless the Contracting Authority first consents in writing.

2.5 Non-disclosure Agreement (if applicable)

The Contractor must obtain from its employee(s) or subcontractor(s) the completed and signed Non-Disclosure Agreement, attached at Annex _____, and provide it to the Contracting Authority before they are given access to information by or on behalf of Canada in connection with the Work.

3. Security Requirement (if applicable)

To be determined based on the Statement of Work, commodity and Testing Department requirements.

3.1 Contractor's Site(s) or Premises Requiring Safeguarding Measures

- 3.1.1 Where safeguarding measures are required in the performance of the Work, the Contractor must diligently maintain up-to-date the information related to the Contractor's and proposed individuals' sites or premises for the following addresses:



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Street Number / Street Name, Unit / Suite / Apartment Number

City, Province, Territory / State

Postal Code / Zip Code

Country

The Company Security Officer must ensure through the Contract Security Program that the Contractor and individuals hold a valid security clearance at the required level.

4. Term of Contract

4.1 Period of Contract

The period of the Contract is from _____ to _____ inclusive.

OR

4.1 Delivery Date

All the deliverables must be received on or before _____.

4.2 Option to Extend the Contract OR Optional Goods and/or Services

The Contractor grants to Canada the irrevocable option to extend the term of the Contract to [INSERT DATE HERE] 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.

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

4.3 Delivery Points

Delivery of the requirement will be made to delivery point(s) specified at Annex "X" of the Contract.

5. Authorities

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5.1 Contracting Authority

The Contracting Authority for the Contract is: **to be determined.**

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.

5.2 Technical Authority (Testing Department)

The Technical Authority for the Contract is: **to be determined.**

The Technical 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 Technical Authority; however, the Technical 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.

5.3 Client Authority (Innovations Solutions Canada (ISC)) Testing Stream

The Client Authority for the Contract is: **to be determined.**

The Client Authority is the representative of the department for whom the Work is being carried out under the Contract. The Client Authority is responsible for the development of the Statement of Work and for providing the funding. The Client Authority has no authority to authorize changes to the scope of work. Changes to the scope of the Work can only be made through a contract amendment issued by the Contracting Authority.

5.4 Contractor's Representative

The Contractor's Representative for the Contract is: **to be determined.**

6. Proactive Disclosure of Contracts with Former Public Servants (if applicable)

A3025C (2020-05-04), Proactive Disclosure of Contracts with Former Public Servants

7. Payment



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7.1 Basis of Payment

The Contractor will be paid in accordance with the Basis of Payment in Annex ____.

7.2 Limitation of Price

For item ____ of the Basis of Payment:

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.

7.3 Method of Payment

For item _____ of the Basis of Payment:

7.3.1 Progress Payments

1. Canada will make progress payments in accordance with the payment provisions of the Contract, no more than once a month, for cost incurred in the performance of the Work up to ____ percent of the amount claimed and approved by Canada if:
 - (a) an accurate and complete claim for payment using form PWGSC-TPSGC 1111 , Claim for Progress Payment, and any other document required by the Contract have been submitted in accordance with the invoicing instructions provided in the Contract;
 - (b) the amount claimed is in accordance with the Basis of payment;
 - (c) the total amount for all progress payments paid by Canada does not exceed ____ percent of the total amount to be paid under the Contract;
 - (d) all certificates appearing on form PWGSC-TPSGC 1111 have been signed by the respective authorized representatives.

2. The balance of the amount payable will be paid in accordance with the payment provisions of the Contract upon completion and delivery of all work required under the Contract if the Work has been accepted by Canada and a final claim for the payment is submitted.


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3. Progress payments are interim payments only. Canada may conduct a government audit and interim time and cost verifications and reserves the right to make adjustments to the Contract from time to time during the performance of the Work. Any overpayment resulting from progress payments or otherwise must be refunded promptly to Canada.

OR

For item _____ of the Basis of Payment:

7.3.1 Milestone Payments

1. Canada will make milestone payments in accordance with the Schedule of Milestones detailed in the Contract and the payment provisions of the Contract, up to _____ percent of the amount claimed and approved by Canada if:
 - (a) an accurate and complete claim for payment using form PWGSC-TPSGC 1111 (<http://www.tpsgc-pwgsc.gc.ca/app-acq/forms/documents/1111.pdf>), Claim for Progress Payment, and any other document required by the Contract have been submitted in accordance with the invoicing instructions provided in the Contract;
 - (b) the total amount for all milestone payments paid by Canada does not exceed _____ (insert) percent of the total amount to be paid under the Contract;
 - (c) all the certificates appearing on form PWGSC-TPSGC 1111 have been signed by the respective authorized representatives;
 - (d) all work associated with the milestone and as applicable any deliverable required have been completed and accepted by Canada.
2. The balance of the amount payable will be paid in accordance with the payment provisions of the Contract upon completion and delivery of all Work required under the Contract if the Work has been accepted by Canada and a final claim for the payment is submitted.

7.3.2 Schedule of Milestones

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

Milestone No.	Description OR	Firm Amount	Due Date OR



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	Deliverable		Delivery Date

OR

For item _____ of the Basis of Payment:

7.3.1 SACC Manual Clause H1000C (2008-05-12), Single Payment

7.3.1 SACC Manual Clause H1001C (2008-05-12), Multiple Payments

7.3.1 SACC Manual Clause H1008C (2008-05-12), Monthly Payment

7.4 SACC Manual Clauses

A9117C (2007-11-30), T1204 - Direct Request by Customer Department

C0305C (2014-06-26), Cost Submission

H4500C (2010-01-11), Lien - Section 427 of the *Bank Act*

7.5 Discretionary Audit

SACC Manual Clause C0101C (2010-01-11), Discretionary Audit - Non-commercial Goods and/or Services **OR**

SACC Manual Clause C0705C (2010-01-11), Discretionary Audit

7.6 Time Verification

SACC Manual Clause C0711C (2008-05-12), Time Verification

8. Invoicing Instructions - Progress Claim

1. The Contractor must submit a claim for payment using form PWGSC-TPSGC 1111 (<http://www.tpsgc-pwgsc.gc.ca/app-acq/forms/documents/1111.pdf>), Claim for Progress Payment.

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Each claim must show:

- (a) all information required on form PWGSC-TPSGC 1111;
- (b) all applicable information detailed under the section entitled "Invoice Submission" of the general conditions;
- (c) a list of all expenses;
- (d) the description and value of the milestone claimed as detailed in the Contract.

Each claim 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, travel and living expenses;
 - (c) a copy of the monthly progress report.
2. Applicable Taxes must be calculated on the total amount of the claim before the holdback is applied. At the time the holdback is claimed, there will be no Applicable Taxes payable as it was claimed and payable under the previous claims for progress payments.
 3. The Contractor must prepare and certify an original claim on Form PWGSC-TPSGC 1111, and forward it to the Contracting Authority for certification in an electronic format to the electronic mail address identified under section entitled "Authorities" of the Contract. Portable Document Format (.pdf) format is acceptable. The Contracting Authority will then forward the certified claim, in an electronic format, to the Technical Authority for appropriate certification after inspection and acceptance of the Work takes place, and onward submission to the Payment Office for the remaining certification and payment.
 4. The Contractor must not submit claims until all work identified in this claim is completed.

9. Certifications and Additional Information

9.1 Compliance

Compliance with all the certifications provided by the Contractor in its bid is a condition of the Contract and subject to verification by Canada during the term of the Contract. If the Contractor does not comply with any certification or it is determined that any certification made by the Contractor in its bid is untrue, whether made knowingly or unknowingly, Canada has the right, pursuant to the default provision of the Contract, to terminate the Contract for default.


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9.2 Federal Contractors Program for Employment Equity - Default by the Contractor (if applicable)

The Contractor understands and agrees that, when an Agreement to Implement Employment Equity (AIEE) exists between the Contractor and Employment and Social Development Canada (ESDC)-Labour, the AIEE must remain valid during the entire period of the Contract. If the AIEE becomes invalid, the name of the Contractor will be added to the "FCP Limited Eligibility to Bid" list. The imposition of such a sanction by ESDC will constitute the Contractor in default as per the terms of the Contract.

9.3 Partial Set-Aside for Indigenous Business Certification (if applicable)

1. The Contractor warrants that its certification of compliance is accurate and complete and in accordance with the "Requirements for the Set-aside Program for Indigenous Business" detailed in Annex 9.4 of the *Supply Manual*.
2. The Contractor must keep proper records and documentation relating to the accuracy of the certification provided to Canada. The Contractor must obtain the written consent of the Contracting Authority before disposing of any such records or documentation before the expiration of six years after final payment under the Contract, or until settlement of all outstanding claims and disputes, under the Contract, whichever is later. All such records and documentation must at all times during the retention period be open to audit by the representatives of Canada, who may make copies and take extracts. The Contractor must provide all reasonably required facilities for any audits.
3. Nothing in this clause must be interpreted as limiting the rights and remedies which Canada may otherwise have pursuant to the Contract.

9.4 SACC Manual Clauses

A3000C (2022-05-12), Aboriginal Business Certification (if applicable)

A3060C (2008-05-12), Canadian Content Certification

10. Applicable Laws

The Contract must be interpreted and governed, and the relations between the parties determined, by the laws in force in _____ (to be inserted at contract award).

11. Priority of Documents

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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 _____ (if applicable);
- (c) the General Conditions 2040 (2022-12-01), General Conditions - Research & Development;
- (d) Annex __, Statement of Work;
- (e) Annex __, Basis of Payment;
- (f) Annex __, Security Requirements Check List (if applicable);
- (g) Annex __, Non-disclosure Agreement (if applicable);
- (h) Annex __, Sample Accommodations and Car Rental Government Rates Letter (if applicable);
- (i) the Contractor's proposal dated _____.

12. Defence Contract (is applicable)

SACC Manual clause A9006C (2012-07-16), Defence Contract

13. Foreign Nationals (Canadian Contractor) (if applicable)

SACC Manual clause A2000C (2006-06-16), Foreign Nationals (Canadian Contractor)

14. Insurance

SACC Manual clause G1005C (2016-01-28), Insurance

15. Controlled Goods Program (if applicable)

SACC Manual clause A9131C (2020-11-19), Controlled Goods Program

SACC Manual clause B4060C (2011-05-16), Controlled Goods

16. Progress Reports (if applicable)

- 1. The Contractor must submit monthly reports, in electronic format, on the progress of the Work, to both the Technical Authority and the Contracting Authority.

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2. The progress report must contain three parts:

(a) PART 1: The Contractor must answer the following three questions:

- (i) Is the project on schedule?
- (ii) Is the project within budget?
- (iii) Is the project free of any areas of concern in which the assistance or guidance of Canada may be required?

Each negative response must be supported with an explanation.

(b) PART 2: A narrative report, brief, yet sufficiently detailed to enable the Technical Authority to evaluate the progress of the Work, containing as a minimum:

- (i) A description of the progress of each task and of the Work as a whole during the period of the report. Sufficient sketches, diagrams, photographs, etc., must be included, if necessary, to describe the progress accomplished.
- (ii) An explanation of any variation from the work plan.
- (iii) A description of trips or conferences connected with the Contract during the period of the report.
- (iv) A description of any major equipment purchased or constructed during the period of the report.

(c) PART 3: The "Contract Plan and Report Form", PWGSC-TPSGC 9143 (<http://publiservice-app.tpsgc-pwgsc.gc.ca/forms/pdf/9143.pdf>), (or an equivalent form acceptable to the Contracting Authority) showing the following:

- (i) Actual and forecast expenditure on a monthly basis for the period being covered. (Expenditures are to be outlined by month and by task.)
- (ii) Progress of the Work against the Contractor's original Contract Plan (instructions for showing the above on the Contract Plan are detailed in Annex "_____" attached). The form will provide the basis for planning and estimating the cost of work, and reporting actual progress and cost against the plan during contract performance.

17. Canadian Forces Site Regulations (if applicable)

The Contractor must comply with all standing orders or other regulations, instructions and directives in force on the site where the Work is performed.

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The Contractor must comply with all regulations, instructions and directives in force on the site where the Work is performed.

18. Draft and Final Reports (if applicable)

In addition to the monthly reports on the progress of the Work, the Contractor must deliver a draft final report, in electronic format, no later than 30 working days prior to the expiry date of the contract, and a final report no later than 15 working days from date of contract expiry, to the Client Authority and Contracting Authority.

19. Communications Notification

As a courtesy, the Government of Canada requests that the Contractor notify the Contracting Authority five business days in advance of their intention to make public an announcement related to this contract award.

20. Access to Facilities and Equipment (if applicable)

Canada's facilities, equipment, documentation and personnel are not automatically at the disposal of the Contractor. If access to government premises, computer systems (micro computer network), working space, telephones, terminals, documentation and personnel for consultation is required by the Contractor to perform the Work, the Contractor must advise the Contracting Authority of the need for such access in a timely fashion. If the Contractor's request for access is approved by Canada and arrangements are made to provide access to the Contractor, the Contractor, its subcontractors, agents and employees must comply with all the conditions applicable at the Work site. The Contractor must further ensure that the facilities and equipment are used solely for the performance of the Contract.

21. Travel and Living (if applicable)

The Contractor must use establishments identified in the Accommodation and Car Rental Directory, which have agreed to extend their government rates to cost reimbursable contractors, consultants or advisors working under contract for the Federal, Provincial or Territorial Governments. The Accommodation and Car Rental Directory is available at the following site: <http://rehelv-acrd.tpsgc-pwgsc.gc.ca/index-eng.aspx>.

The Contractor will be reimbursed for the authorized travel and living expenses reasonably and properly incurred in the performance of the Work, at cost, without any allowance for overhead or profit, in accordance with the meal and private vehicle allowances specified in Appendices B, C and D of the [National Joint Council Travel Directive](#), and with the other provisions of the directive referring to "travellers", rather than those referring to "employees". Canada will not pay the Contractor any incidental expense allowance for authorized travel.

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It is the responsibility of the Contractor to become familiar with the current provisions of the National Joint Council Travel Directive, the Special Travel Authorities and the Directive on Travel, Hospitality, Conference and Event Expenditures available at the following web address: [National Joint Council Travel Directive](#).

Accommodation and car rental companies may request a letter confirming that the Contractor is on government business (see sample at Annex E).

All travel must have the prior approval of both the Client Authority and Technical Authority, in writing. The Contractor must attach to the Travel and Living Expense Summary form (see sample at Annex X) a copy of the approval.

The Travel and Living Expense Summary form must be submitted with PWGSC-TPSGC 1111 Claim for Progress Payment.

Canada will not accept any travel and living expenses incurred by the Contractor as a consequence of any relocation of personnel required to satisfy the terms of this Contract.

All payments are subject to government audit.

22. Shipping and Transportation (if applicable)

The Contractor must ship the Innovation and associated components, Delivery Duty Paid (DDP) – ‘city name’ – Incoterms 2013, from the Contractor’s Canadian address to the testing department site(s) in Canada. Unless otherwise directed, delivery must be made by the most economical means. The Contractor is responsible for all delivery charges, administration, costs and risks of transport and customs clearance, including the payment of customs duties and Applicable Taxes.

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Applicable Annexes (if applicable)

Annex “A” – Statement of Work

The Statement of Work will be generated based on the proposed Test Plan and in collaboration between the Bidder and the Testing Department. The Statement of Work must be approved by the Client Authority.

Annex “B” – Basis of Payment

The Basis of Payment will be negotiated in accordance with the Bidder’s financial proposal and the Statement of Work.

Annex “C” – Security Requirements Check List (if applicable)

For information, see: <https://buyandsell.gc.ca/policy-and-guidelines/supply-manual/section/2/50/5>.

Annex “D” – Non-Disclosure Agreement (if applicable)

The Bidder and all proposed resources who will perform Work under the resulting Contract may be required to sign a Non-Disclosure Agreement prior to having access to information or assets.

Annex “E” – Sample Accommodations and Car Rental Government Rates Letter (if applicable)

If required, the Client Authority can provide a letter confirming that the contractor will be traveling on official government business in the performance of the contract.

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APPENDIX 4 – CERTIFICATIONS AND ADDITIONAL INFORMATION

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

The certifications provided by Bidders to Canada are subject to verification by Canada at all times. 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 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 with this request will also render the bid non-responsive or will constitute a default under the Contract.

The duly completed and signed certifications must be submitted to the Contracting Authority within the time frame specified by the Contracting Authority. Failure to comply with the request of the Contracting Authority and to provide the certifications or the additional information listed below within the time frame specified will render the bid non-responsive.

Certifications Required Precedent to Contract Award and Additional Information

1 Ownership

The Bidder certifies that:

- It is the owner of the Intellectual Property (IP) rights; or
- A Canadian licensor owning the Intellectual Property (IP) rights has granted the Bidder a licence to the IP for the proposed innovation and the Bidder is not infringing on any IP rights.

2 Integrity Provisions – Associated Information

By submitting a bid, the Bidder certifies that the Bidder and its Affiliates are in compliance with the provisions as stated in Section 01 Integrity Provisions - Bid of Standard Instructions 2003. The associated information required within the Integrity Provisions will assist Canada in confirming that the certifications are true.

2.1 Declaration of Convicted Offences

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Pursuant to subsection Declaration of Convicted Offences of section 01 of the 2003 Standard Instructions, where a Bidder or its Affiliate is unable to certify that it has not been convicted of any of the offences referenced under the Canadian Offences Resulting in Legal Incapacity, the Canadian Offences and the Foreign Offences subsections, the Bidder must provide with its bid, a completed Declaration Form, to be given further consideration in the procurement process.



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2.2

Note to Bidders: Although a list of directors was provided prior to pre-qualification, an updated list must be provided prior to contract award.

Bidders who are incorporated, including those bidding as a joint venture, must provide a complete list of names of all individuals who are currently directors of the Bidder.

Bidders bidding as sole proprietorship, as well as those bidding as a joint venture, must provide the name of the owner(s).

Bidders bidding as societies, firms or partnerships do not need to provide lists of names.

[Bidder to insert names and titles of directors in the table below]

Name	Title

3 Integrity Federal Contractors Program for Employment Equity - Bid Certification

3.1 Federal Contractors Program for Employment Equity - Bid Certification – Contract under \$1M

By submitting a bid, the Bidder certifies that the Bidder, and any of the Bidder's members if the Bidder is a Joint Venture, is not named on the Federal Contractors Program (FCP) for employment equity "FCP Limited Eligibility to Bid" list available from Employment and Social


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Development Canada (ESDC) - Labour's website.

Canada will have the right to declare a bid non-responsive if the Bidder, or any member of the Bidder if the Bidder is a Joint Venture, appears on the "FCP Limited Eligibility to Bid" list at the time of contract award.

3.2 Federal Contractors Program for Employment Equity - Bid Certification – Contract at \$1M or more

By submitting a bid, the Bidder certifies that the Bidder, and any of the Bidder's members if the Bidder is a Joint Venture, is not named on the Federal Contractors Program (FCP) for employment equity "FCP Limited Eligibility to Bid" list available from - Employment and Social Development Canada (ESDC) - Labour's website.

Canada will have the right to declare a bid non-responsive if the Bidder, or any member of the Bidder if the Bidder is a Joint Venture, appears on the "FCP Limited Eligibility to Bid" list at the time of contract award. Canada will also have the right to terminate the Contract for default if a Contractor, or any member of the Contractor if the Contractor is a Joint Venture, appears on the "FCP Limited Eligibility to Bid" list during the period of the Contract.

The Bidder must provide the Contracting Authority with a completed Federal Contractors Program for Employment Equity – Certification (**Appendix A**), before contract award. If the Bidder is a Joint Venture, the Bidder must provide the Contracting Authority with a completed Federal Contractors Program for Employment Equity – Certification (**Appendix A**), for each member of the Joint Venture.

4 Price Certification

The Bidder certifies that the price proposed:

- (a) is not in excess of the lowest price charged anyone else, including the Bidder's most favoured customer, for the like quality and quantity of the goods, services or both;
- (b) does not include an element of profit on the sale in excess of that normally obtained by the Bidder on the sale of goods, services or both of like quality and quantity, and
- (c) does not include any provision for discounts to selling agents.



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5 Canadian Content Certification

This procurement is limited to Canadian goods and Canadian services.

Subject to the evaluation procedures contained in the Call for Proposal solicitation documents, Bidders acknowledge that only proposals with a certification that the goods and services offered are Canadian goods and Canadian services, as defined in clause A3050T, Canadian Content Definition, will be considered.

The Bidder certifies that:

“A minimum of 80 percent of the total proposal price consist of Canadian goods and Canadian services as defined in paragraph 5 of clause A3050T.”

For more information on how to determine the Canadian content for a mix of goods, a mix of services or a mix of goods and services, consult Annex 3.6.(9), Example 2, of the Supply Manual.

6 Former Public Servant Certification

Contracts with 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 with FPS, Bidders must provide the information required below before contract award.

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:

1. an individual;
2. an individual who has incorporated;
3. a partnership made of former public servants; or
4. a sole proprietorship or entity where the affected individual has a controlling or major interest in the entity.


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"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:

1. name of former public servant;
2. 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: 2019-01](#) 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


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If so, the Bidder must provide the following information:

1. name of former public servant;
2. conditions of the lump sum payment incentive;
3. date of termination of employment;
4. amount of lump sum payment;
5. rate of pay on which lump sum payment is based;
6. period of lump sum payment including start date, end date and number of weeks;
7. number and amount (professional fees) of other contracts subject to the restrictions of a work force adjustment program.

7 Procurement Business Number

Pursuant to section 02 of the 2003 Standard Instructions, suppliers are required to have a Procurement Business Number (PBN) before contract award. Suppliers may register for a PBN online at Supplier Registration Information (<https://srisupplier.contractsCanada.gc.ca>). For non- Internet registration, suppliers may contact the InfoLine at 1-800-811-1148 to obtain the telephone number of the nearest Supplier Registration Agent.

PBN: _____

8 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 at time of the Contract award process by inserting the name of the Canadian province or territory of their choice below. If no change is made, it acknowledges that the applicable laws specified are acceptable to the Bidders.

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



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9 Certification Acknowledgment

By signing this document, the Bidder certifies that the information submitted herein, and the information submitted in its bid, is accurate and complete.

The Bidder has read, understands and acknowledges the instructions and the clauses and conditions contained in all parts of this document, and the solicitation document.

The Bidder certifies that he or she is an authorized signing officer of the Bidder.

Print Name: _____

Title: _____

Signature: _____

Date: _____

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ANNEX A
FEDERAL CONTRACTORS PROGRAM FOR EMPLOYMENT EQUITY – CERTIFICATION (Contracts at \$1M or more)

I, the Bidder, by submitting the present information to the Contracting Authority, certify that the information provided is true as of the date indicated below. The certifications provided to Canada are subject to verification at all times. I understand that Canada will declare a bid non-responsive, or will declare a contractor in default, if a certification is found to be untrue, whether during the bid evaluation period or during the contract period. Canada will have the right to ask for additional information to verify the Bidder's certifications. Failure to comply with any request or requirement imposed by Canada may render the bid non-responsive or constitute a default under the Contract.

For further information on the Federal Contractors Program for Employment Equity visit Employment and Social Development Canada (ESDC) – Labour's website.

Date: _____(YYYY/MM/DD) (If left blank, the date will be deemed to be the bid solicitation closing date.)

Complete both A and B.

A. Check only one of the following:

- A1. The Bidder certifies having no work force in Canada.
- A2. The Bidder certifies being a public sector employer.
- A3. The Bidder certifies being a federally regulated employer being subject to the Employment Equity Act.
- A4. The Bidder certifies having a combined work force in Canada of less than 100 permanent full-time and/or permanent part-time employees.

A5. The Bidder has a combined workforce in Canada of 100 or more employees; and

- A5.1. The Bidder certifies already having a valid and current Agreement to Implement Employment Equity (AIEE) in place with ESDC-Labour.

OR

- A5.2. The Bidder certifies having submitted the Agreement to Implement Employment Equity (LAB1168) to ESDC-Labour. As this is a condition to contract award, proceed to completing the form Agreement to Implement Employment Equity (LAB1168), duly sign it, and transmit it to ESDC-Labour.



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B. Check only one of the following:

B1. The Bidder is not a Joint Venture.

OR

B2. The Bidder is a Joint venture and each member of the Joint Venture must provide the Contracting Authority with a completed annex Federal Contractors Program for Employment Equity - Certification. (Refer to the Joint Venture section of the Standard Instructions)

Supplier's Legal Name and Signature

Date



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ANNEX B

PARTIAL SET-ASIDE FOR INDIGENOUS BUSINESS – CERTIFICATION

1. A portion of this procurement is set aside under the federal government Procurement Strategy for Indigenous Business, For more information on Indigenous business requirements of the Set-aside Program for Indigenous Business, see Annex 9.4, Supply Manual.
2. If the Supplier is submitting a bid under the Partial Set-Aside for indigenous business, the following is applicable:
 - i. The Supplier:
 1. certifies that it meets, and will continue to meet throughout the duration of any resulting contract, the requirements described in the above-mentioned annex;
 2. agrees that any subcontractor it engages under any resulting contract must satisfy the requirements described in the above-mentioned annex; and
 3. agrees to provide to Canada, immediately upon request, evidence supporting any subcontractor's compliance with the requirements described in the above-mentioned annex.
3. The Supplier must check the applicable box below:
 1. () The Supplier is an Indigenous business that is a sole proprietorship, band, limited company, co-operative, partnership or not-for profit organization
OR
 2. () The Supplier is either a joint venture consisting of two or more Indigenous businesses or a joint venture between an Indigenous business and a non-Indigenous business.
4. The Supplier must, upon request by Canada, provide all information and evidence supporting this certification. The Supplier must ensure that this evidence will be available for audit during normal business hours by a representative of Canada, who may make copies and take extracts from the evidence. The Supplier must provide all reasonably required facilities for any audits.
5. By submitting a bid, the Supplier certifies that the information submitted by the Supplier in response to the above requirements is accurate and complete.

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If requested by the Contracting Authority, the Bidder must provide the following certification for each owner who is Indigenous:

1. I am an owner of _____ (*insert name of business*), and an Indigenous person, as defined in Annex 9.4 of the *Supply Manual* entitled "Requirements for the Set-aside Program for Indigenous Business".
2. I certify that the above statement is true and consent to its verification upon request by Indigenous Services Canada.

Printed name of owner

Signature of owner

Date

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Appendix 5 – Pathway to Commercialization Entry Criteria

Recertification

MC1: The Bidder's proposal must satisfy the eligibility criteria for participation in the Pathway to Commercialization:

- (1) For profit
- (2) 499 or fewer full-time equivalent (FTE) employees
- (3) Research and development activities and other Work under the contract that take place in Canada
- (4) 50% or more of its annual wages, salaries and fees are currently paid to employees and contractors who spend the majority of their time working in Canada
- (5) 50% or more of its FTE employees have Canada as their ordinary place of work
- (6) 50% or more of its senior executives (Vice President and above) have Canada as their principal residence

Bidder certifies their proposed innovation is compliant with the eligibility criteria

MC2: Management Structure:

The Bidder must either demonstrate the management team cited in the original proposal submission has remained unchanged or provide updated information on changes to the management structure. If changes have been made, the Bidder must provide additional documentation detailing and certifying the change(s).

Pass	<ul style="list-style-type: none"> • The key roles in the management team have not changed from the original Testing Stream submission OR • The key roles in the management team have changed and include individuals possessing relevant backgrounds and skill sets who can support the successful commercialization of the proposed innovation.
Fail	<ul style="list-style-type: none"> • The key roles in the management team have not changed from the original Testing Stream submission OR • The key roles in the management team have changed and include individuals possessing relevant backgrounds and skill sets who can support the successful commercialization of the proposed innovation.

Canada will evaluate the new structure and determine whether the proposal demonstrates that they have filled the key roles in the management team with individuals possessing relevant background or skill set*, who can support the successful commercialization of the proposed innovation. If the management structure has changed and is deemed to not possess the necessary competencies the company will fail MC2.

Bidder certifies their management structure is unchanged from the original proposal submission.

OR

Bidder certifies management structure has changed and has provided additional information detailing the changes and new organizational structure of the company. Innovative Solutions Canada Testing


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Screening Criteria (SC)
SC1: Technology Readiness Level (TRL) Validation

The Bidder must demonstrate that the proposed innovation is beyond TRL 9 and ready for market commercialization.

Post TRL 9: Actual application of the technology in its final form and under real-life conditions, such as those encountered in operational tests and evaluations. Activities include using the innovation under operational conditions.

Bidders failing this section will have a one-year period to advance their technological readiness and submit for reevaluation.

Pass	<ul style="list-style-type: none"> The Post Test Report (PTR) has provided evidence demonstrating that the innovation is beyond TRL 9 at the conclusion of the testing period
Fail	<ul style="list-style-type: none"> The innovation is not deemed to be at a post TLR 9 at the conclusion of the testing period

SC2: Certifications

The Bidder must demonstrate that they have obtained the certifications, licences, and approvals required to commercialize the innovation measured against daily market realities, product dependencies, and operational standards of the industry, including those considered a best practice in the respective industry, to achieve safe testing. The Bidder may be requested to submit copies of certifications, licences and/or approvals as proof. This will include medical certifications (i.e. MDEL)

Pass	<ul style="list-style-type: none"> The Bidder has demonstrated that they have obtained the certifications, licences, and approvals required to commercialize their innovation.
Fail	<ul style="list-style-type: none"> The Bidder has failed to demonstrate that they have obtained the certifications, licences, and approvals required to commercialize their innovation.

SC3: Financial Capability

The Bidder must demonstrate that they have sufficient financial resources and a credible financial strategy necessary to execute and deliver upon contracts of larger scope. *In determining the extent of financial capacity, evaluators should consider: updates status on funding sources and the amount of secured and unsecured funds, reviewing the degree of risks cited in the initial application any determining if they remain acceptable, and whether these risks are reasonable based on the context of the sector. Financial resources must be readily available and demonstrate ability to commercialize the proposed innovation.*

Pass	<ul style="list-style-type: none"> The Bidder has demonstrated they have funds in place; AND/OR The Bidder has a credible financial strategy and remaining unsecured funds will not significantly impede commercializing the proposed innovation.
Fail	<ul style="list-style-type: none"> The Bidder has not demonstrated they have sufficient funds to commercialize the proposed innovation; OR The Bidder has failed to demonstrate it has a credible plan to secure necessary funds.

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SC4: Intellectual Property (IP) Strategy

The Bidder must demonstrate that they have an updated Intellectual Property strategy suitable to commercialize relevant to the innovation. This includes pending issues identified in the original submission and an investigation as to whether they have been resolved, remain sufficient, or require further action. This can vary by industry and rate of technology turnover. For example:

- *Software: Copyright and Source Code protection*
- *System: Both hardware and software protection*
- *Hardware: Patent and/or Trade Secret protection*
- *Service, Methodology, or Process: Copyright*

Pass	<ul style="list-style-type: none"> • The Bidder has demonstrated that they have implemented an Intellectual Property strategy suitable to protect the innovation.
Fail	<ul style="list-style-type: none"> • The Bidder has failed to demonstrate that they have implemented an Intellectual Property strategy suitable to protect the innovation.

SC5: Scalability

The Bidder must demonstrate that they have sufficient resources and planning to meet the obligations of a commercial contract. Bidder must provide an assessment of product lifecycle, demonstration of any relevant manufacturing agreements, distribution agreements in principle, and available human and technology resources.

Pass	<ul style="list-style-type: none"> • The Bidder has demonstrated that they have sufficient resources, agreements, operations, and processes in place to service multiple and concurrent contracts.
Fail	<ul style="list-style-type: none"> • The Bidder has failed to demonstrate that they have sufficient resources, agreements, operations, and processes in place to service multiple and concurrent contracts.

SC6: Innovative Test Performance

The Post Test Report issued in collaboration with the Testing Department is designed to evaluate the performance of the innovation against the stated functionalities in the original bid submission (SC1: Innovation of the original proposal submission). Based on the Post Test Report, as well as any additional consultation with the Testing Department, it has been determined:

Pass	<ul style="list-style-type: none"> • The innovation demonstrated most of the core functionalities on par with the original proposal submission AND • The innovation functioned as intended within the test environment
Fail	<ul style="list-style-type: none"> • The innovation did not demonstrate core technical functionality as stated in the original bid proposal AND/OR • The innovation did not function or did not function as intended within the test environment