# Introduction to federal procurement: The basics of selling to the Government of Canada

Presented by Procurement Assistance Canada

# Getting started

#### **Procurement Assistance Canada**

- Supports smaller and diverse businesses through the federal procurement process.
- Engages, assists and informs businesses on how to sell goods and services to the Government of Canada.
- Works to reduce barriers to ensure fairness in the process.
- Looks for opportunities to advance supplier diversity through targeted outreach and advocacy.

#### Opportunities for smaller and diverse businesses

- Government of Canada is one of the largest buyers of goods and services in Canada.
- Buys a wide range of goods and services each year, with contract values ranging from hundreds to billions of dollars.
- On average, smaller businesses in Canada win the majority of the total value of contracts awarded each year.

#### How much does the government buy?

- Government of Canada is one of the largest buyers of goods and services in Canada.
- The government spends approximately \$24 billion annually on goods, services, construction and maintenance projects.
- Awards over 500,000 contracts and processes close to 2 million credit card transactions each year.

#### Contracting with the Government of Canada

- Public Services and Procurement Canada (PSPC) is the main procurement arm of the federal government.
- It is important that all procurement activities be conducted in an open, fair and transparent manner, and that all suppliers have an equal chance at doing business with us.
- Federal laws and regulations as well as Treasury Board of Canada policies guide the Government of Canada's procurement process.

#### Increasing the diversity of bidders

- Initiatives to increase the diversity of bidders and help build a more inclusive economy by boosting the competitiveness and prosperity of Canadian businesses.
- Procurement Strategy for Indigenous Business (PSIB): set-aside opportunities for Indigenous businesses, requirements for all government departments and agencies to offer a minimum of 5% of the total value of their contracts to Indigenous businesses.
- <u>Better Buying:</u> modernizing procurement with a simpler and more accessible procurement system, advancing socio-economic goals by creating more opportunities for equity-deserving groups.





- Three pillars of Better Buying:
  - o building a modern procurement foundation;
  - o delivering a simpler, more responsive and more accessible procurement system;
  - o advancing socio-economic goals, increasing competition and fostering innovation.
  - Using the Government's purchasing power for the greater good, to help social objectives such as:
    - $\circ$  accessibility,
    - increased opportunities for businesses run by equity-deserving groups, such as women, visible minorities and persons with disabilities,
    - o increased opportunities for Indigenous businesses,
    - o environmentally friendly purchasing.
- Green procurement focuses on integrating environmental considerations into the procurement decision-making process, for example by setting specific targets for vehicle emissions, reducing plastic waste and improving energy efficiency in federal buildings.
- Procurement Assistance Canada supports these initiatives by working with the procurement community inside government, and by providing support to businesses to help you find, understand and respond to contracting opportunities.

# Finding opportunities

#### Building networks

- Building relationships can go a long way in becoming a government supplier, just as it does in any line of business.
- Connect with officials in departments and agencies, learn about what directions their department's procurement may be heading, and find out about upcoming procurement opportunities in your region.
- Promote your business and share information regarding your capabilities.

#### Low dollar value procurement

- Purchases below \$25,000 for goods and below \$40,000 for services and construction, including all applicable taxes, are considered to be low dollar value procurements.
- Unlike larger purchases that are done through the solicitation of bids and quotes from potential suppliers using a tendering process, low dollar value procurements are often direct purchases from vendors.
- Low dollar value procurement can present an opportunity to grow your business by developing a business relationship with the Government of Canada through smaller contracts.
- Learn more about low dollar value opportunities.

#### Non-competitive procurement

- According to Canadian Government Contract Regulations, sole source purchasing can only be undertaken under the following four circumstances.
- Pressing Emergency
  - Delays could be injurious to public interest.
  - Example: boats needed for an emergency evacuation.
- Cost not exceeding \$25,000
  - Not considered cost effective to compete.
  - Adjusted to \$100,000 for architectural, engineering services as well as international development assistance projects.

- Not in Public Interest
  - Example: national security.
- One Known Supplier
  - Examples: copyright, license or patent.

## Competitive procurement

- Procurement over \$25,000 for goods and \$40,000 for services is done through the solicitation of bids and quotes from potential suppliers using a variety of methods.
- The most common types are:
  - A Request for Proposal (RFP)
  - o A Request for Standing Offer (RFSO)
  - A Request for Supply Arrangement (RFSA)
- The tender notice will indicate the method of procurement being used and will outline the solicitation documents.
- For more information, visit <u>How procurement works</u>.

## Registering to provide professional services

- Centralized Professional Services System (CPSS)
  - ProServices: Information technology (IT) and non-IT professional services.
  - Task-Based Informatics Professional Services: Specific information technology services.
  - Task and Solutions Professional Services: Human Resources, business consulting, change and project management.
  - Temporary Help Services: Temporary help up to 48 weeks, up to \$400K. CPSS allows access to opportunities in the National Capital Region (NCR). Opportunities outside the NCR are listed separately.
  - Professional Audit Support Services: Services to support internal audit and financial management requirements.
- SELECT: Construction, Architectural and Engineering, and related Maintenance and Consulting services.
- Directory of Linguistic Service Providers (Translation Bureau): Translation, interpretation, terminology and word processes.

# CanadaBuys.Canada.ca

- CanadaBuys is the official source for Government of Canada tender and award notices. Visit <u>CanadaBuys.Canada.ca</u> to:
  - Search for public sector tenders and contract history;
  - Register in the electronic procurement solution to view and bid on opportunities.

# BuyAndSell.gc.ca

- During the transition to CanadaBuys, you will continue to find the following on <u>BuyAndSell.gc.ca</u>:
  - How to register as a supplier
  - Procurement policies and guidelines
  - Key procurement contacts in departments and agencies
  - Procurement initiatives and programs
  - Upcoming events and seminars
  - Procurement applications

## Registering as a supplier

- Register in SAP Ariba.
  - Complete your business profile.
  - View and respond to opportunities posted to the electronic procurement solution.
- Register in Supplier Registration Information (SRI).
  - Obtain your procurement business number. This number is currently required for bids that are not processed through SAP Ariba.
- Register in sourcing tools for professional services, including ProServices and SELECT.
- Learn more about registering as a supplier.

### **Electronic procurement solution**

The Government is moving federal procurement online. During this transition, you may be able to bid on some tender opportunities through the electronic procurement solution. <u>Find out more</u>.

#### Learn more about the procurement process

#### Next steps

- Download reference sheets:
  - o Getting started selling to the Government of Canada
  - Preparing to bid on an opportunity
- <u>Register for your next seminar</u>:
  - Doing business with the Government of Canada
  - How the government buys what you sell
  - Finding opportunities on the Government Electronic Tendering Service
  - Bidding on opportunities

#### Procurement Assistance Canada Services

- Seminars to help you understand the procurement process and find opportunities.
- One-on-one meetings to provide more personalized support for your business.
- InfoLine 1-800 number for questions related to procurement
- Self-service tools with instructions and information to help you get started.

Canada.ca/PAC