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Innovative Solutions Canada Program Call for Proposals - 003

Date: January 28, 2020

Solicitation No.: EN578-20ISC3

GETS Reference Number:

Closing date: Please refer to the individual Challenge tender notices on BuyandSell.gc.ca.

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

Issuing Office:

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Services and Technology Acquisition Management Sector
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PART 1 - GENERAL INFORMATION

1.1 Introduction and Procurement Approach

Innovative Solutions Canada (ISC) helps Canadian innovators by funding research and development (R&D) 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 innovative solutions to address a wide range of challenges facing federal departments and agencies. The purpose of this CFP is to create various pools of potential solutions that Canada may select from to address the challenges.

This CFP will be published on an ongoing basis for PWGSC to post Canada's challenges. Details related to each challenge, including available funding, the duration and their specific closing date, will be published under distinct Challenge Notices on the Buy and Sell website, which will form part of this CFP solicitation.

This CFP invites proposals for Challenge Stream – Phase 1 only.

1.2 Innovative Solutions Canada Program Overview

The ISC program consists of two streams – Challenge and Testing.

This CFP addresses entry into the Challenge Stream whereby solutions can later enter the Testing Stream. For direct entry into the Testing Stream, please see the [ISC website](#).

Each resulting contract will include Milestone deliverables. **Successful completion** of a Phase is defined by the receipt and acceptance of all contract Milestone deliverables by Canada's Technical Authority.

1.2.1 Challenge Stream

The Challenge Stream is designed to support the development of early-stage, pre-commercial innovations by small businesses that demonstrate the capacity to develop an innovative solution. Eligibility criteria is defined in section 1.4 of this CFP.

The Challenge Stream invites Bidders to submit innovative solutions within [Technology Readiness Level](#) (TRL) 1-6 (inclusive) to address a specific Challenge.

Solutions may advance through Phases 1 and 2 of the Challenge Stream and into the Testing Stream.



Phase 1: Proof of Feasibility

The objective of Phase 1 is for selected Bidders to conduct research and development (R&D) on their proposed solutions and deliver a proof of feasibility to Canada.

Bidders are encouraged to progress their solution as far as possible on the TRL scale, but note that Canada will only fund Work up to TRL 6 under Phase 1.

Bidders that demonstrate successful completion of Phase 1 will be invited to submit a proposal for Phase 2.

Phase 2: Prototype Development

The objective of Phase 2 is to continue the R&D efforts of the proposed solution with the goal of developing and delivering a prototype to Canada for the selected Challenge. Small businesses are encouraged to progress their solution as far as possible on the TRL scale.

Entry into Phase 2 is solely limited to small businesses who have demonstrated successful completion of Phase 1 and who still meet the eligibility criteria. Small businesses that demonstrate successful completion of Phase 1 will receive an invitation from Canada to submit a proposal. The Phase 2 proposal will be evaluated against criteria that are the same or similar to those in Attachment 1 of this document. Participation in Phase 2 is not guaranteed. It is at the sole discretion of Canada to proceed with Phase 2.

Solutions which reach the end of the TRL scale and are ready for market may be invited to submit a proposal for Phase 3: Pathway to Commercialization as described in section 1.2.3.

However, solutions which require additional research and development and are between TRL 7-9 may be invited to advance to the Testing Stream outlined in section 1.2.2.

Solutions that do not reach TRL 6 at the end of Phase 2 may not be considered for further ISC funding.

1.2.2 Optional Entry into Testing Stream: Prototype Testing

The objective of the Testing Stream is to test prototypes in real-life settings. Canada may purchase multiple quantities of the prototypes developed in Phase 2, test them and provide valuable feedback.

Entry into the Testing Stream is solely limited to small businesses who have demonstrated successful completion of Phase 2 and are within TRL 7-9 (inclusive). The small business' Phase 2 final report alongside a supplemental proposal submission form will be used to assess if the solution will proceed to the Testing Stream. The Phase 2 report will be evaluated based on assessment criteria that will include, at minimum, TRL, innovation and advance on state of the art while the supplemental proposal submission form will contain all other information required by the Testing Stream to complete the evaluation. In some cases, departments that originally sponsored the challenge may decide not to move forward with further research and development, however, Bidders may be matched with another departmental partner under the Testing Stream.



Participation in the Testing Stream is not guaranteed. It is at the sole discretion of Canada to proceed with the Testing Stream.

Small businesses whose solutions reach the end of the TRL scale and are ready for market may be invited to submit a proposal for Phase 3: Pathway to Commercialization as described in section 1.2.3.

1.2.3 Phase 3 – Pathway to Commercialization

As a result of Canada's time and investment in a small business' solution development, Canada intends to create a pool of qualified solutions developed under the ISC Program that are beyond TRL 9 and are ready for commercialization. Small businesses who demonstrate successful completion of Phase 2 may be invited to submit a proposal for Phase 3. To be placed in the pool of pre-qualified solutions, small businesses will be required to, at minimum, demonstrate how their solution continues to meet their respective ISC challenge and provide a realistic commercialization plan. Additional assessment criteria may be included with the Phase 3 proposal invitation. Canada may acquire the final solution from this qualified pool for a period of up to three years after notice of qualification, without further competition. Use of this procurement vehicle is not mandatory and Canada reserves the right to publish an Advanced Contract Award Notice or competitive solicitation conduct a competitive process to determine if there are other commercial solutions available to solve the challenge.

Note: The ISC program may be running other CFPs independently on Buy and Sell for solutions within TRL 7-9 (inclusive) for direct entry into the Testing Stream. For information on the independent solicitations, visit the [ISC website](#).

1.3 Definitions

The [ISC Glossary](#) outlines the terminology employed throughout the solicitation and are complementary to the terms and conditions of the solicitations and any resulting contract award. Bidders should visit the [ISC website](#) for specific information on the ISC program.

1.4 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 before entering Phase 1. Re-certification may be required at any phase under the ISC program. In order to remain eligible for the Challenge Stream, eligibility criteria must be met at all times.

Bidders under the Challenge Stream are those that meet all of the following criteria:

- for profit
- incorporated in Canada (federally or provincially)
- 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.

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.

1.4.1 Subcontractors

Only Bidders that are eligible businesses can submit a proposal. However, Bidders are allowed to use sub-contractors to perform the anticipated work in Phases 1 and 2. Sub-contractor(s) may be academic, industrial or not-for-profit. Bidders must perform at least two-thirds (2/3) of the research and development (R&D) work in Phase 1 and at least half (1/2) of the work for Phase 2. The remaining R&D can be sub-contracted to other organizations or individuals. Sub-contractors are not required to meet program eligibility criteria.

1.5 Trade Agreements

Canadian Free Trade Agreement

This procurement is set aside from the Canadian Free Trade Agreement 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.

North American Free Trade Agreement

This procurement consists of Research and Development services which are excluded from the application of the *North American Free Trade Agreement (NAFTA)* as per Annex 1001.1b-2, Section B.

This procurement is set aside from NAFTA in accordance with chapter 10, Annex 1001.2b, item 1(d), which states:

This Chapter does not apply to procurements in respect of: (d) set-asides for small and minority businesses;



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;

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.

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: *Chapter 15 (Government Procurement) shall not apply to:*

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

1.6 Canadian Content

[A3050T \(2018-12-06\) Canadian Content Definition](#)

This requirement is limited to Canadian goods and/or services.

1.7 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 bid solicitation related to the production or exploitation of any concept or prototype developed or delivered.



1.8 Potential Conditions

The following may apply to the resulting contract(s), based on the proposed solution and Challenge requirements:

1.8.1 Security Requirements

There may be security requirements associated with the resulting contracts. For more information on personnel and organization security screening or security clauses, Bidders should refer to the

- Industrial Security Program (ISP) of PWGSC at <http://www.tpsgc-pwgsc.gc.ca/esc-src/index-eng.html>

1.8.2 Controlled Goods Program

Any resulting contract may be subject to the Controlled Goods Program. Refer to [Controlled Goods Program Website](#).

1.8.3 Comprehensive Land Claim Agreements

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

1.8.4 Intellectual Property

The default position of Canada is to allow contractors to retain the IP rights. In some cases, the IP rights could be negotiated with the Bidders. Information on IP is available from the following sources:

- General Conditions 2040 (2018-06-21), found at: <https://buyandsell.gc.ca/policy-and-guidelines/standard-acquisition-clauses-and-conditions-manual/3/2040/18>
- Policy on Title to Intellectual Property Arising under Crown Procurement Contracts, found at: <http://www.ic.gc.ca/eic/site/068.nsf/eng/00005.html>

1.9 Procurement Strategy for Aboriginal Business

Requirements that are set aside under the federal government Procurement Strategy for Aboriginal Business will be identified as such in the individual Challenge tender notice. For more information on Aboriginal business requirements of the Set-aside Program for Aboriginal Business, refer to [Annex 9.4](#) of the Supply Manual.



1.10 Attachments

The following attachments form part of this Call for Proposals:

Attachment 1 - Evaluation Criteria – Phase 1

Attachment 2 - Draft Resulting Contract Clauses and Statement of Work

Attachment 3 - Additional Certifications Required During Contract Negotiation



PART 2 - BIDDER 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 CFP 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 PWGSC.

Bidders who submit a proposal agree to be bound by the instructions, clauses and conditions of the CFP solicitation and accept the clauses and conditions of the resulting contract.

The [2003 \(2019-03-04\) Standard Instructions - Goods or Services - Competitive Requirements](#), are incorporated by reference into and form part of the CFP, and are amended as follows:

(a) Section 04, Definition of a Bidder:

Delete: “Bidder” means the person or entity (or, in the case of a joint venture, the persons or entities) submitting a bid to perform a contract for goods, services or both. It does not include the parent, subsidiaries or other affiliates of the Bidder, or its subcontractors.

Insert: “Bidder” means the entity submitting a bid to perform a contract for goods, services or both. It does not include joint ventures.

(b) Section 05, Submission of Bids, subsection 2(d):

Delete: In its entirety.

(c) Section 05, Submission of Bids, subsection 4:

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

Insert: Proposal Validity Period and Pre-Qualification Period

During the evaluation period, proposals will remain open for acceptance for a period of not less than 180 days from the challenge closing date. Upon pre-qualification of a proposal, the proposal will remain open for acceptance for a period of twelve (12) months (“Pre-Qualification Period”) from the date of Pre-Qualification. Once the Pre-Qualification Period ends, a proposal is no longer eligible for Contract award.



Canada reserves the right to modify the Pre-Qualification Period at any time for any reason. A Bidder may withdraw their proposal by providing written notice to the Contracting Authority.

(d) **Delete** the following sections in their entirety:

Section 06 Late Bids

Section 07 Delayed Bids

Section 08 Transmission by Facsimile or by epost Connect

Section 09 Customs Clearance

(e) 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 Pre-Qualified Proposals eligible for Contract award, the Bidder must provide, on Canada's request, one or more of the following price justification:

(f) Section 17, Joint Venture:

Delete: Section 17 Joint venture in its entirety

Insert: Section 17 Joint venture

A joint venture is an association of two or more parties who combine their money, property, knowledge, expertise or other resources in a single joint business enterprise, sometimes referred as a consortium, to bid together on a requirement.

2.2 Enquiries – Solicitation Period

All enquiries must be submitted in writing to the Contracting Authority **no later than (10) ten calendar days** before the Challenge Notice 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 questions or may request that the Bidder do so, so that the proprietary nature of the question is eliminated, and the enquiry can be answered with copies to all Bidders. Enquiries not submitted in a form that can be distributed to all Bidders may not be answered by Canada.

Bidders are encouraged to visit the ISC program's [Frequently Asked Questions](#) page.



2.3 Contracting Authority

The Contracting Authority for this Call for Proposals solicitation is:

Public Works and Government Services Canada
Procurement Branch
Innovation Procurement Directorate (IPD)
TPSGC.SIC-ISC.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.

2.5 Public Announcements (For Department of National Defence (DND) Challenges)

For the Departments 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.

2.6 Public Announcements (For non-DND Challenges)

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 15 business days in advance of their intention to make public an announcement related to the recommendation of a contract award, or any information related to the contract. The Government of Canada retains the right to make primary contract announcements.

2.7 Certifications

[A3015T \(2014-06-26\) – Certifications - Bid](#)



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 on time by the Challenge Notice closing date and time. Proposals received after the specified period will not be considered.
- 3.1.2** Bidders must submit their proposal using the Phase 1 Proposal Submission Form. The form can be found by clicking the “Propose a solution” button on the ISC website under the specific challenge the Bidder is responding to. Challenges can be found at the following link: <http://www.ic.gc.ca/eic/site/101.nsf/eng/00001.html> Proposals that are submitted in an alternate format will not be accepted unless prior approval has been obtained from the Contracting Authority at TPSGC.SIC-ISC.PWGSC@tpsgc-pwgsc.gc.ca
- 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** Bidders who are not able to submit their proposal using the web-based system must contact the Contracting Authority at TPSGC.SIC-ISC.PWGSC@tpsgc-pwgsc.gc.ca to arrange delivery of their proposal. This includes the submission of proposals with a security level exceeding Protected B.
- 3.1.6** 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 Challenge Stream Electronic Submission Form will not be evaluated.
- 3.1.7** In the event that a proposal is submitted electronically and through an alternate mean for the same solution, the electronic proposal will take precedence unless otherwise specified by the Bidder.
- 3.1.8** Bidders may submit proposals for one or more Challenges, but must submit a separate proposal for each Challenge. Each proposal will be evaluated separately on its own merit.
- 3.1.9** Unless otherwise stated in the Challenge Notice, Bidders must only submit one proposal per Challenge. If more than one proposal is submitted for a Challenge 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 Challenge Stream Electronic Submission Form, Bidders must contact the Contracting Authority at TPSGC.SIC-ISC.PWGSC@tpsgc-pwgsc.gc.ca.

3.3 Technical Proposal

- 3.3.1** The Bidder's responses to the evaluation criteria presented in the Phase 1 Proposal Submission Form will form the Bidder's Technical Proposal. Bidders should respond to each criterion in a thorough, concise and clear manner. Bidders should explicitly demonstrate, in sufficient detail, how all criteria are met.
- 3.3.2** To maintain the integrity of the evaluation, evaluators will consider only information presented in the proposal. No information will be inferred and personal knowledge or beliefs will not be utilized in the assessment. Canada will not evaluate information such as references to Web site addresses where additional information can be found.

3.4 Financial Proposal

- 3.4.1** Bidders must complete the Financial Proposal set out in the Phase 1 Proposal Submission Form. Responses provided in the Form will form the Bidder's Financial Proposal under the CFP.
- 3.4.2** The Bidder's Financial Proposal should not exceed the maximum contract funding level specified in the Challenge Notice. Any dollar value exceeding the maximum contract funding amounts will be the Bidder's commitment of co-investment funding to a resulting contract.
- 3.4.3** The sub-contractor costs in the Bidder's Financial Proposal are not to exceed one-third of the total financial proposal costs.
- 3.4.4** Should a proposal be pre-qualified and selected, the Financial Proposal submitted will be negotiated in accordance with the Statement of Work (SOW) and must be in accordance with the PWGSC Contract Cost Principles 1031-2:
(<https://buyandsell.gc.ca/policy-and-guidelines/standard-acquisition-clauses-and-conditions-manual/3/1031-2/6>) amended as follows:

At Section 7, subsection b:

DELETE: legal, accounting and consulting fees in connection with financial reorganization, security issues, capital stock issues, obtaining of patents and licenses and prosecution of claims against Canada;



INSERT: legal, accounting and consulting fees in connection with financial reorganization, security issues, capital stock issues, obtaining of licenses and prosecution of claims against Canada;

3.5 Certifications and Additional Information

- 3.5.1** Certifications required with the Bidder's proposal are identified on the Phase 1 Proposal Submission Form.
- 3.5.2** Certifications and additional information that may be required precedent to contract award are identified in Attachment 3 – Additional Certifications Required during Contract Negotiations.



PART 4 - EVALUATION PROCEDURES, BASIS OF SELECTION AND CONTRACT AWARD PROCESS

4.1 Evaluation Procedures

- (a) Proposals will be assessed in accordance with the entire requirement and the evaluation criteria. The evaluation criteria is identified in “Attachment 1 – Phase 1 Evaluation Criteria”.
- (b) If additional evaluation criteria, beyond what is identified in 4.1 (a) is applicable, it will be identified in the Challenge Notice.
- (c) An evaluation team composed of the National Research Council – Industrial Research Assistance Program (NRC-IRAP), and/or subject matter experts from other government departments will evaluate proposals. If required, Canada may use external Subject Matter Experts to evaluate any proposal. All evaluators will be required to confirm they are not in a conflict of interest, and sign a non-disclosure agreement.
- (d) In conducting its evaluation, Canada may, but will have no obligation to, request clarifications from the Bidder regarding information provided by the Bidder with respect to any aspect of their proposal. This must not be construed as:
 - 1. an opportunity to provide supplemental information; or
 - 2. an intent to pre-qualify the proposal; or
 - 3. an intent to contract with the Bidder.

The Bidder must provide a response to the written request for clarification or verification issued by the Contracting Authority in accordance with the provisions of the request, which may include a time period in which to provide the response. Failure to comply with the request may result in the proposal being declared non-responsive and given no further consideration.

4.1.1 Phase 1 Evaluation Criteria

Part 1 – Mandatory Criteria

Canada will first evaluate the mandatory criteria. Proposals must meet all mandatory criteria in order to proceed to Part 2. Proposals that do not meet all mandatory criteria will be considered **non-responsive** and will not proceed to Part 2.

Part 2 – Point Rated Criteria

Proposals that have proceeded to Part 2 will be evaluated against the point rated criteria. Proposals must achieve an overall minimum score of at least 50% in order to be considered **responsive** and be placed in the Challenge Pool of Pre-Qualified Proposals.



4.2 Challenge Pool of Pre-Qualified Proposals

The purpose of the Challenge Pool is to create a list of potential solutions for each challenge that Canada may select from.

Proposals that are deemed responsive and meet all other requirements of the CFP will be considered pre-qualified and placed in a pre-qualified pool for the duration of the pre-qualification period (see Section 2.1.c). Once a pre-qualification period expires, a proposal is no longer considered pre-qualified and cannot be considered for contract award.

Pre-Qualified proposals will be placed in a pool for the specific challenge referenced in the proposal. The establishment of pre-qualified pools does not constitute a commitment on the part of Canada to award contracts. **Placement into the Pool does not guarantee that a proposal will be selected or that a contract will be awarded.**

4.3 Proposal Selection

Pre-qualified proposals will be considered for contracts. Proposals which earn the highest overall pass mark may not be the proposals selected. Selection from a pool of pre-qualified proposals does not guarantee that a contract will be awarded. The Contract Award Process outlined in section 4.4 must be completed prior to a contract being awarded.

Two scenarios exist for proposal selection:

1. Proposal is reviewed and selected by the Proposal Selection Committee for contract negotiations. Contract Award Process (section 4.4) will be followed.
2. Proposal is reviewed but not selected by the Proposal Selection Committee; however, it has been placed in the pre-qualified pool. Canada may revisit a pool at any time prior to the end of the pre-qualification period and make additional selections. This is at Canada's sole discretion.

4.3.1 Proposal Selection Committee and Method of Selection

Canada will form a Proposal Selection Committee of Subject Matter Experts. If required, Canada may use external Subject Matter Experts as part of the committee. The Proposal Selection Committee considers the evaluation results of the Pre-Qualified Proposals and examines multiple parameters, such as:

- Departmental and/or Government of Canada priorities,
- Number of investments across priorities
- Previous years' investments
- The strength of individual proposals
- Similar initiatives being funded by the Department and/or Government of Canada
- Project types and technology readiness levels



The Proposal Selection Committee may select one proposal, more than one proposal or no proposal under a specific Challenge Notice. **The decision to select a proposal is at the sole discretion of the Proposal Selection Committee.**

Federal departments/agencies, other than the Sponsor Department, may choose to select proposals, provided that there are no significant deviations from the original scope of the challenge. The same basis of selection and contract award process will apply.

4.3.2 Debriefing

Each Bidder will be issued a detailed debrief letter noting the final results of the evaluation. Upon receipt of the evaluation results, Bidders may contact the Contracting Authority to discuss the results of their proposal evaluation within 10 business days of the date of receipt of the debrief letter.

4.4 Contract Award Process

To be considered for contract award a proposal must:

- a) comply with all the requirements of the ISC CFP solicitation;
- b) be placed in a Challenge Pool of Pre-Qualified Proposals;
- c) be selected by the Selection Committee; and
- d) successfully complete the Contract Award Process as detailed in sections 4.4.1 to 4.4.3 and 4.5 of this CFP before expiry of the Pre-Qualification Period.

If an agreement at any step of the process cannot be reached between Canada and the Bidder, Canada reserves the right to stop the contract award process with the Bidder and dissociate the funds.

The Contract Award process is as follows:

4.4.1 Statement of Work

Canada and the Bidder will work together to develop a Statement of Work (SOW). The SOW will clearly and concisely define the tasks to be performed and the deliverables to Canada. The SOW may be re-scoped to ensure Canada's needs are met within the framework of the ISC Program.

4.4.2 Financial Capability

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

If a Bidder fails to demonstrate adequate financial resources to complete the Work a contract will 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

4.4.3 Contract Negotiations

Upon completion of the SOW, the Contracting Authority will:

- (a) request a cost breakdown per milestone 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 must 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.

4.5 Contract Award – Phase 1

Upon successful completion of all steps in the Contract Award Process, internal approval will be sought and the Bidder's proposal will be recommended for contract award.

4.6 Phase 2 Proposal Process

If successful completion of Phase 1 is demonstrated, Canada may invite the Contractor to submit a proposal for the purpose of advancing the TRL of the solution through Phase 2. The proposal will be evaluated against criteria that are same or similar to those in Attachment 1 of this document. Participation in Phase 2 is not guaranteed. It is at the sole discretion of Canada to proceed with Phase 2.

Successful completion of a Phase is defined by the receipt and acceptance of all Phase 1 contract Milestone deliverables by the Technical Authority.



ATTACHMENT 1—EVALUATION CRITERIA – PHASE 1

This attachment outlines how the proposals will be evaluated for Phase 1. Bidders should read this attachment to assist in the preparation of their proposal.

The Bidder must complete the Challenge Stream Electronic Submission Form with a degree of information sufficient to enable Canada’s assessment of the proposal against the criteria and the Evaluation Schema. The information must demonstrate how the proposal meets the criterion.

Part 1: Mandatory Criteria

Proposals must meet all mandatory criteria identified by achieving a “Pass” in order to proceed to Part 2. Proposals that do not meet all mandatory criteria will be deemed non-responsive and given no further consideration.

Mandatory Criteria (Bidder’s proposal must address)	
Question 1 a: Scope	Evaluation Schema (Mandatory - Pass/Fail)
<p>Describe the proposed solution and demonstrate how it responds to the challenge. Include in your description the scientific and technological basis upon which the solution is proposed and clearly demonstrate how the solution meets all of the Essential Outcomes (if identified) in the Desired Outcomes section in the Challenge Notice.</p>	<p>Pass The Bidder’s proposed solution is clearly articulated, within the scope for the challenge and addresses all Essential Outcomes (if identified) in the Challenge Notice.</p> <p>Fail The proposed solution is articulated as out of scope for the challenge. OR The proposal does not clearly demonstrate how the proposed solution addresses all Essential Outcomes listed in the challenge. OR The proposed solution is poorly described and does not permit concrete analysis. OR There is little to no scientific and/or technological evidence that the proposed solution is likely to meet the challenge.</p>



<p>Question 2: Current Technology Readiness Level (TRL)</p>	<p>Evaluation Schema (Mandatory - Pass/Fail)</p>
<p>a. Indicate the current TRL of the proposed solution. (Drop Down Menu of the Challenge Stream Electronic Submission Form)</p> <p>b. Describe the research and development activities that have taken place to bring the proposed solution to the stated TRL.</p>	<p>Pass: The Bidder has demonstrated that the proposed solution is currently between TRLs 1 and 6 (inclusive), and provided justification by explaining the research and development (R&D) that has taken place to bring the solution to the stated TRL.</p> <p>Fail: The Bidder has not provided sufficient evidence to demonstrate that the current TRL is between 1 to 6 (inclusive) including:</p> <ul style="list-style-type: none"> (1) <i>There is insufficient/no evidence provided for TRL judgment.</i> (2) <i>The solution involves the development of basic or fundamental research.</i> (3) <i>The solution is demonstrated at TRL 7 or higher.</i> (4) <i>Insufficient/unclear/no justification explaining the R&D that took place to bring the solution to the stated TRL.</i> (5) <i>The explanation simply paraphrases the description of a given TRL level.</i>
<p>Question 3a: Innovation</p>	<p>Evaluation Schema (Mandatory – Pass/Fail)</p>
<p>Demonstrate how the proposed solution meets one or more of the ISC definitions of innovation below:</p> <ul style="list-style-type: none"> a) An invention*, new technology or new process that is not currently available in the marketplace. b) 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. c) 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. <p>* An “invention” is defined for the purposes of ISC as: “A manufacturing design or any other new and useful improvement that is new or novel, that</p>	<p>Pass: The Bidder has demonstrated that the proposed solution meets one or more of the ISC definitions of innovation.</p> <p>Fail:</p> <ul style="list-style-type: none"> • Bidder has not provided sufficient evidence to demonstrate that the proposed solution meets any of the ISC definitions of innovation; OR • Bidder has demonstrated that the proposed solution 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).



is, not commonly known or not an obvious derivative of an existing way of doing things.”	
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Question 3b: Advance on State of the Art	Evaluation Schema (Mandatory Criteria – Pass/Fail + Points)
<p>Describe in detail the competitive advantages and level of advancement over existing technologies. Where appropriate, name existing technologies as well as potential substitutes or competitors.</p> <p>To demonstrate this, proposals should include the following information:</p> <ul style="list-style-type: none"> • Improvements (minor or major) over existing technologies or substitutes. Use direct comparison. • How the proposed innovation will create competitive advantages in existing market niches or market spaces. 	<p>0 points/Fail:</p> <ul style="list-style-type: none"> • The Bidder has not demonstrated that the proposed solution advances the state-of-the-art over existing technologies, including available competing solutions; OR • The proposed solution 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 described in general terms but are not substantiated with specific, measurable evidence. <p>5 points/Pass:</p> <ul style="list-style-type: none"> • The Bidder has demonstrated that the proposed solution offers one or two minor improvements to existing technologies, including available competing solutions that have potential to create competitive advantages in existing market niches. <p>12 points/Pass:</p> <ul style="list-style-type: none"> • The Bidder has demonstrated that the proposed solution offers three or more minor improvements to existing technologies, including available competing solutions, that together are likely to create competitive advantages in existing market niches; OR • The Bidder has demonstrated that the proposed solution offers one significant improvement to existing technologies that is likely to create competitive advantages in existing market niches <p>20 points/Pass:</p> <ul style="list-style-type: none"> • The Bidder has demonstrated that the proposed solution offers two or more significant improvements to existing technologies, including available competing solutions that are likely to create competitive advantages in existing market niches and could define new market spaces; OR • The Bidder has demonstrated that the proposed solution 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



Part 2: Point-Rated Criteria

Proposals must meet the overall minimum pass mark of 50% to be deemed responsive. Proposals that do not achieve the minimum pass mark will be declared non-responsive and given no further consideration.

Point-Rated Criteria (Bidder's proposal to address)	
Question1b: Scope	Evaluation Schema (Point-Rated)
<p>Demonstrate the scientific and technological basis of how the proposed solution addresses the Additional Outcomes (if identified) in the Desired Outcomes section in the Challenge Notice. If no Additional Outcomes are identified in the Challenge Notice, text entered in this section will not be considered.</p> <p>If no Additional Outcomes are identified in the Challenge Notice, Bidders will receive 10 points.</p>	<ul style="list-style-type: none"> i. Insufficient or no information provided to demonstrate that the solution will address any of the Additional Outcomes. 0 points ii. Information provided clearly demonstrates that the solution will address some (<50%) of the Additional Outcomes. 3 points iii. Information provided clearly demonstrates that the solution will address most (50% or more) of the Additional Outcomes. 6 points iv. Information provided clearly demonstrates that the solution will address all (100%) of the Additional Outcomes. 10 points



Question 4: Phase 1 Science and Technology (S&T) Risks	Evaluation Schema (Point-Rated)
<p>Describe potential scientific and/or technological risks to the successful development of the proof of feasibility and how they will be mitigated in Phase 1.</p>	<ul style="list-style-type: none"> i. Insufficient or no information provided to demonstrate that the Bidder has considered potential risks and mitigation strategies and/or information provided contains significant gaps. 0 points ii. Information provided demonstrates that the Bidder has considered some potential risks and associated mitigation strategies but there are minor gaps in risks and/or associated mitigation strategies. 5 points iii. Information provided clearly demonstrates that the Bidder has sufficiently considered the risks and defined associated mitigation strategies. 10 points

Question 5: Phase 1 Project Plan	Evaluation Schema (Point-Rated)
<p>Demonstrate a feasible Phase 1 project plan by completing the table.</p> <ul style="list-style-type: none"> • Indicate if any milestones and activities will be completed concurrently • Indicate the estimated exit TRL at the completion of Phase 1. (Drop Down Menu of the Challenge Stream Electronic Submission Form) 	<ul style="list-style-type: none"> i. Insufficient or no information provided to demonstrate a feasible project plan for Phase 1 and/or the project plan exceeds the maximum duration indicated in the Challenge Notice. 0 points ii. Project plan for Phase 1 is conceivably feasible but not clearly demonstrated and/or includes gaps. 10 points iii. Information provided clearly demonstrates a feasible project plan for Phase 1. 20 points



Question 6: Phase 1 Project Risks	Evaluation Schema (Point-Rated)
<p>Describe potential project risks to the successful development of the proof of feasibility and how they will be mitigated in Phase 1.</p> <p>Bidders should address the following risks, as applicable:</p> <ul style="list-style-type: none"> • Human Resources • Financial • Project Management • Intellectual Property • Other project-related risks <p>Note to Bidders: S&T risks should not be included in this section. Question 4 addresses S&T risks.</p>	<ul style="list-style-type: none"> i. Insufficient or no information provided to demonstrate that the Bidder has considered potential risks and mitigation strategies and/or information provided contains significant gaps. 0 points ii. Information provided demonstrates that the Bidder has considered some potential risks and associated mitigation strategies but there are minor gaps in risks and/or associated mitigation strategies. 5 points iii. Information provided clearly demonstrates that the Bidder has sufficiently considered the risks and defined associated mitigation strategies. 10 points

Question 7: Phase 1 Implementation Team	Evaluation Schema (Point-Rated)
<p>Demonstrate how the project implementation team has the required management and technological skill sets and experience to deliver the project plan for Phase 1 by completing the table. A member of the implementation team can have more than one role.</p>	<ul style="list-style-type: none"> i. Insufficient or no information provided to demonstrate that the project team has the required management and technological skill sets and experience to deliver the Phase 1 project plan. 0 points ii. Information is provided but there are minor gaps in required management and/or technological skill sets and/or experience to deliver the Phase 1 project plan. 10 points iii. Information provided clearly demonstrates that the project team has the required management and technological skill sets and experience to deliver the Phase 1 project plan. 20 points



Question 8: Inclusivity	Evaluation Schema (Point-Rated)
<p>If your business were to receive funding from Innovative Solutions Canada, describe what actions (e.g., recruitment strategy, internships, co-op placements, etc.) might be taken in Phase 1 to support the participation of under-represented groups (e.g., women, youth, persons with disabilities, Indigenous people, visible minorities) in the research and development of the proposed solution. Each Bidder in their response to this question must focus only on describing relevant programs, policies, or initiatives that it currently has in place or would put in place to support the R&D effort in Phase 1.</p> <p>Note: Do not provide any personal information of individuals employed by your company or that of your subcontractors in the response.</p>	<ul style="list-style-type: none"> i. No description and/or concrete examples of actions provided that would be taken to encourage greater participation of under-represented groups. 0 points ii. A description and concrete examples of actions to encourage greater participation of under-represented groups provided. 5 points
Question 9: Phase 1 Financial Proposal	Evaluation Schema (Point-Rated)
<p>Demonstrate a realistic financial proposal for the Phase 1 project plan by completing the table.</p>	<ul style="list-style-type: none"> i. Insufficient information provided and/or information provided significantly lack credibility. Does not demonstrate a realistic financial proposal for the Phase 1 project plan. 0 points ii. Information is provided but some costs lack credibility and/or are unclear for the Phase 1 project plan. 7.5 points iii. Information provided contains credible elements to clearly demonstrate a realistic financial proposal for the Phase 1 project plan. 15 points



Question 10: Phase 1 Financial Controls, Tracking and Oversight	Evaluation Schema (Point-Rated)
<p>Describe the financial controls, tracking and oversight that will be used to manage the public funds throughout Phase 1. Bidders should indicate if an individual or firm will be managing the public funds and provide their credentials and/or relevant experience.</p>	<ul style="list-style-type: none"> i. Insufficient or no information provided to demonstrate the Bidder’s ability to manage public funds in Phase 1. 0 points ii. Information provided is vague and/or contains gaps. The Bidder has some controls, tracking and/or oversight in place to manage the public funds in Phase 1. 5 points iii. Information provided clearly demonstrates that the Bidder has strong financial controls, tracking and oversight to manage public funds in Phase 1. 10 points
Question 11: Phase 2 Overview	Evaluation Schema (Point-Rated)
<p>Demonstrate a realistic overview for the prototype development plan if selected to participate in Phase 2.</p> <p>Responses should include:</p> <ul style="list-style-type: none"> • key tasks • estimated cost for materials • human resources • project risks and mitigation strategies <p>Note: A more detailed proposal will be requested if selected to participate in Phase 2.</p>	<ul style="list-style-type: none"> i. Insufficient or no information provided to demonstrate that the Bidder has contemplated a realistic overview for the Phase 2 prototype development. 0 points ii. Information provided demonstrates a conceivably realistic overview for Phase 2 prototype development, however there are gaps and/or the strategy is vague. 6 points iii. Information provided demonstrates that the Bidder has a clear and realistic overview. 12 points



Question 12: Commercialization Approach	Evaluation Schema (Point-Rated)
<p>Demonstrate a realistic overall commercialization approach/business model that can successfully take the technology/service to market, and how the technology/service will help you develop and sell other products.</p> <p>Responses should include:</p> <ul style="list-style-type: none"> - Target markets (excluding Government of Canada) - Non-ISC funding sources - Transition to a commercially-ready product or service - Any other indicators of commercial potential and commercial feasibility <p>Note: A more detailed proposal will be requested if selected to participate in Phase 2 or the Testing Stream.</p>	<ul style="list-style-type: none"> i. Insufficient or no information provided to demonstrate that the proposed solution has commercial potential. 0 points ii. Some information provided to demonstrate that the proposed solution has commercial potential, however there are gaps in the commercialization approach. 6 points iii. A realistic commercialization approach is provided that demonstrates that the proposed solution has commercial potential. 12 points



Question 13: Resulting Benefits to Canada	Evaluation Schema (Point-Rated)
<p>Describe the benefits that could result from the commercialization of the proposed solution. Bidders should consider the potential benefits using the following three categories and provide justification for each claim:</p> <ol style="list-style-type: none"> 1) Innovation Benefits: Expected contribution towards the enhancement or development of new industrial or technological innovations within your firm. Responses could include: potential spillover benefits, creation of intellectual property, impact on productivity of the new technology, etc. 2) Economic Benefits: Forecasted impact on the growth of Canadian firms, clusters and supply chains, as well as its expected benefits for Canada's workforce. Responses could include: number of jobs created, number of high-paying jobs, investment in Canada's economy, etc. 3) Public Benefits: Expected contribution to the broader public to the degree that the solution is expected to generate social, environmental, health, security or other benefits to Canada. Responses could include: solution-related environmental benefits, solution-related accessibility benefits, and solution-related impact on Indigenous communities. 	<ol style="list-style-type: none"> i. Innovation Benefits Benefit not identified or insufficient claim of benefit. 0 points Benefit has marginal increment or limited justification. 1 point Benefit is significant and well justified. 2 points ii. Economic Benefits Benefit not identified or insufficient claim of benefit. 0 points Benefit has marginal increment or limited justification. 1 point Benefit is significant and well justified. 2 points iii. Public Benefits. Benefit not identified or insufficient claim of benefit. 0 points Benefit has marginal increment or limited justification. 1 point Benefit is significant and well justified. 2 points



ATTACHMENT 2 – DRAFT RESULTING CONTRACT CLAUSES

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 A1 and the Contractor's technical bid entitled _____, dated _____.

1.2 Work Authorization

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 Manual](https://buyandsell.gc.ca/policy-and-guidelines/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.

2.1 General Conditions

[2040](#) (2018-06-21), General Conditions - Research & Development, apply to and form part of the Contract, and are amended as follows:

Section 06, Subcontracts:

Delete: in addition to purchases and services referred to in paragraphs (a) and (b), subcontract any part or parts of the Work to one or more subcontractors up to a total value of 40 percent of the Contract Price; and

Insert: in addition to purchases and services referred to in paragraphs (a) and (b), subcontract a maximum of one-third of the Work in Phase 1; and



2.2 Supplemental General Conditions

The following supplemental general conditions 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

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 clauses 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

A9122C (2008-05-12), Protection and Security of Data Stored in Databases

3. Security Requirements

3.1 The following security requirements apply to and form part of the Contract:

OR

3.1 There is no security requirement applicable to the Contract.



4. Term of Contract

4.1 Period of the Contract

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

4.2 Delivery Date

All the Phase 1 deliverables must be received on or before _____.

5. Comprehensive Land Claims Agreements (CLCAs)

The Contract is subject to the following Comprehensive Land Claims Agreement(s):

- _____

- _____

6 Authorities

6.1 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.

6.2 Technical Authority (Challenge Sponsoring 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

6.3 Contractor's Representative

The Contractor's representative for the contract is: To be determined



6.4 Procurement Authority (for DRDC/DND contracts)

The Procurement Authority for the Contract is: To be determined

The Procurement Authority is the representative of the department or agency for whom the Work is being carried out under the Contract. The Procurement Authority is responsible for the implementation of tools and processes required for the administration of the Contract. The Contractor may discuss administrative matters identified in the Contract with the Procurement Authority however the Procurement Authority has no authority to authorize changes to the scope of the Work. Changes to the scope of Work can only be made through a contract amendment issued by the Contracting Authority.

7. Proactive Disclosure of Contracts with Former Public Servants

[A3025C](#) (2013-03-21), Proactive Disclosure of Contracts with Former Public Servants

8. Payment

8.1 Basis of Payment

Option 1

In consideration of the Contractor satisfactorily completing all of its obligations under the Contract, the Contractor will be paid a *firm price, as specified in Annex ___ for a cost of \$ _____* .. Customs duties are *included* and Applicable Taxes are extra.

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.

Option 2

The Contractor will be reimbursed for the costs reasonably and properly incurred in the performance of the Work as determined in accordance with the Basis of Payment *in Annex _____* to a ceiling price of \$ _____. Customs duties are *included* and Applicable Taxes are extra.

The ceiling price is subject to downward adjustment so as not to exceed the actual costs reasonably incurred in the performance of the Work and computed in accordance with the Basis of Payment.



Option 3

8.1 Basis of Payment

8.1.1 For the Work described in _____ of the Statement of Work in Annex ____:

In consideration of the Contractor satisfactorily completing all of its obligations under the Contract the Contractor will be paid a firm price of \$ _____. Customs duties are included and Applicable Taxes are extra.

For the firm price portion of the Work only, 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.

8.1.2 For the Work described in _____ of the Statement of Work in Annex ____:

The Contractor will be reimbursed for the costs reasonably and properly incurred in the performance of the Work as determined in accordance with the Basis of Payment in Annex _____, to a ceiling price of \$ _____. Customs duties are included and Applicable Taxes are extra.

The ceiling price is subject to downward adjustment so as not to exceed the actual costs reasonably incurred in the performance of the Work and computed in accordance with the Basis of Payment.

8.1.3 Total Estimated Contract Price: \$ _____

8.2 Limitation of Price

[C6000C](#) (2017-08-17), Limitation of Price

8.3 Progress Payments

8.3.1 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 (<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 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.



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

OR

8.3.2 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.

8.3.3 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

8.3 Milestone Payments

Canada will make milestone payments in accordance with the Schedule of Milestones detailed in Annex ___ and the payment provisions of the Contract 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) all the certificates appearing on form PWGSC-TPSGC 1111 have been signed by the respective authorized representatives;
- (c) all work associated with the milestone and as applicable any deliverable required has been completed and accepted by Canada.

8.4 SACC Manual Clauses

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

C0305C (2014-06-26), Cost Submission

8.5 Discretionary Audit

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

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



8.6 Time Verification

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

9. Invoicing Instructions - Progress Claim

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

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, and all travel and living expenses;
- (c) a copy of the progress report, addressing the following:

9.2 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.

9.3 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 e-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 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.

9.4 The Contractor must not submit claims until all work identified in this claim is completed.



10. Certifications and Additional Information

10.1 Compliance

Unless specified otherwise, the continuous compliance with the certifications provided by the Contractor in its bid or precedent to contract award, and the ongoing cooperation in providing additional information are conditions of the Contract and failure to comply will constitute the Contractor in default. Certifications are subject to verification by Canada during the entire period of the Contract.

10.2 SACC Manual Clauses

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

A3000C (2014-11-27), Aboriginal Business Certification

11. Applicable Laws

The Contract must be interpreted and governed, and the relations between the parties determined, by the laws in force in _____.

12. Priority of Documents

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 _____ ;
- (c) the general conditions _____ ;
- (d) Annex A1, Statement of Work;
- (e) Annex B2, Basis of Payment;
- (f) Annex C, Security Requirements Check List (if applicable);
- (g) the Contractor's bid dated _____, as clarified on _____ " *or* ", as amended on _____.

13. Defence Contract (if applicable)

SACC Manual clause [A9006C](#) (2012-07-16) Defence Contract

14. Foreign Nationals (Canadian Contractor)

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

15. Insurance

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



16. Controlled Goods Program

16.1 SACC Manual clause A9131C (2014-11-27), Controlled Goods Program

16.1.1 As the Contract requires production of or access to controlled goods that are subject to the [Defence Production Act](#) R.S. 1985, c. D-1, the Contractor and any subcontractor are advised that, within Canada, only persons who are registered, exempt or excluded under the Controlled Goods Program (CGP) are lawfully entitled to examine, possess or transfer controlled goods. Details on how to register under the CGP are available at: [Controlled Goods Program](#)

16.1.2 When the Contractor and any subcontractor proposed to examine, possess or transfer controlled goods are not registered, exempt or excluded under the CGP at time of contract award, the Contractor and any subcontractor must, within seven (7) working days from receipt of written notification of the contract award, ensure that the required application(s) for registration or exemption are submitted to the CGP. No examination, possession or transfer of controlled goods must be performed until the Contractor has provided proof, satisfactory to the Contracting Authority, that the Contractor and any subcontractor are registered, exempt or excluded under the CGP. Failure of the Contractor to provide proof, satisfactory to the Contracting Authority, that the Contractor and any subcontractor are registered, exempt or excluded under the CGP, within thirty (30) days from receipt of written notification of contract award, will be considered a default under the Contract except to the extent that Canada is responsible for the failure due to delay in processing the application.

16.1.3 The Contractor and any subcontractor must maintain registration, exemption or exclusion from the CGP for the duration of the Contract and in any event for so long as they will examine, possess or transfer controlled goods.



16.2 Controlled Goods

The Contract involves controlled goods as defined in the Schedule to the [Defence Production Act](#). The Contractor must identify those controlled goods to the Department of National Defence.

17. Public Announcements

[Use the following clause for DND contracts:](#)

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 new 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 working days as the result of unforeseeable circumstances, including matters of public safety or where an emergency response is required.

[Use the following for all other contracts:](#)

As a courtesy, the Government of Canada requests that the Contractor notify the Contracting Authority ten business days in advance of their intention to make public an announcement related to this contract award. A copy of the draft announcement should be provided. Canada will review the draft announcement and may request revisions. The Government of Canada retains the right to make primary contract announcements.

18. Successful Completion of Phase 1

Successful completion is defined by the receipt and acceptance of all Milestone deliverables by the Technical Authority.

If successful completion is demonstrated, Canada may invite the Contractor to submit a proposal for the purpose of advancing the TRL of the solution through Phase 2. The Phase 2 proposal will be evaluated against criteria that are the same or similar to those in Attachment 1 of this document. Participation in Phase 2 is not guaranteed and it is at the sole discretion of Canada to proceed with Phase 2.

19. Include additional clauses as necessary....



ANNEX "A1" - DRAFT STATEMENT OF WORK (SOW) for Phase 1

CALL FOR PROPOSAL NO: EN578-20ISC3

CHALLENGE BEING ADDRESSED: *Insert the title of the Challenge as indicated in the Challenge Notice.*

1. Title

Insert the title of the Contractor's proposal.

2. Introduction

The Innovative Solutions Canada Program (ISC) Challenge Stream is designed to support the development of early-stage, pre-commercial innovations by small businesses that have no more than 499 employees and demonstrate the capacity to develop an innovative solution to a federal department or agency challenge.

3. Phase 1: Proof of Feasibility

The ISC Challenge Stream is a multi-stage program that seeks solutions to challenges that start at the earliest level of technology development. Phase 1 targets proposed solutions starting at [Technology Readiness Levels](#) (TRLs) 1-6 (inclusive).

4. Objective

The objective of this contract is to develop and deliver a proof of feasibility to Canada, addressing the Challenge.

Add any other information, if necessary.

5. Tasks

5.1 Task title

Insert description of the task

5.2 Task title

Insert description of the task.

Add more sections as required.



6. Deliverables

6.1 Deliverables for task 5.1

Insert description of the deliverables, quantity, and format as applicable.

6.2 Deliverables for task 5.2

Insert description of the deliverables, quantity, and format as applicable.

Add more sections as required.

6.x Deliverable for Task 5.x (Draft of the Final Phase 1 Report)

The Contractor must provide the Technical Authority a Draft of the Final Proof of Feasibility Report, using the template provided at Appendix 1 to Annex A1. The report must be in _____ format.

The draft report is not mandatory, but is recommended. This gives the challenge department time to review the draft report and seek clarification or adjustments in the final report.

6.x Deliverable for Task 5.x (Final Phase 1 Report)

The Contractor must provide the Technical Authority a Final Proof of Feasibility Report, within 14 days of the completion of the R&D, using the template provided at Appendix 1 to Annex A1. The report must be in _____ format.

7. Date of delivery

Deliverable	Delivery date (and suggested formats)
6.1	Within X months after contract award OR On or before YYYY-MM-DD.
6.2	Within X months after contract award OR On or before YYYY-MM-DD.
6.3	Within X months after contract award OR On or before YYYY-MM-DD.
6.4	Within X months after contract award OR On or before YYYY-MM-DD.



8. Program Surveys

As a condition of the program, the Contractor is required to respond to short surveys from the ISC Secretariat for up to five years after passing through ISC. The results of the surveys will feed into the measurement of performance indicators through the reporting requirements of the ISC program.

This obligation survives the expiry of the contract until completed or the Contractor ceases to exist.

9. Meetings

The Contractor will participate in the following meetings in person or via teleconference, as indicated.

Insert as required

10. Travel & Living

Example when travel is not required:

The Contractor is not required to travel.

Example when travel is required:

The Contractor is required to travel to the following location under the following tasks:

Task: Insert task number

Location: Insert location name

Address: Insert complete address

Duration: Insert number of days

Frequency: Insert frequency

All travel must have the prior approval of the Technical Authority, in writing.

Travel must be in accordance with current National Joint Council Travel Directive. It is the responsibility of the Contractor to become familiar with the 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: <https://www.canada.ca/en/treasury-board-secretariat/services/travel-relocation/travel-government-business.html>



11. Location of Work

The work must be performed on Contractor site.

12. Language of Work

The resulting Contract will require Work to be performed in either or both of the Official Languages of Canada.

OR

The deliverables must be submitted in either or both of the Official Languages of Canada.

Revise as necessary.

13. Government Supplied Information (GSI)/Government Supplied Material (GSM)

Insert "None" or insert GSI and or GSM list and information as follows:

GSI 1: Name and description

GSM 1: Name and description.

Quantity:

Part number:

Serial number:

Inventory number:

14. Glossary

The following terms are used in this SOW and have the definitions assigned to them below:

Insert as required



APPENDIX 1 TO ANNEX A1

INNOVATIVE SOLUTIONS CANADA PHASE I (PROOF OF CONCEPT)

FINAL REPORT

Instructions and Template

This document provides information required to complete the ISC Phase I Final Report. The Final Report provides the challenge sponsoring department a precise description and results of the research and development performed under Phase I.

This document has two sections: Instructions and Template. The **Instructions** provide information required to prepare and submit the Final Report while the **Template** is the format the company must use to prepare the report.

Do not include the **Instructions** with the report. Be sure to replace the information described within the angled brackets < > with the relevant project information (and remove the angled brackets). Also remove the bracketed [] guidance in the **Template**.

Instructions

A. The Final Report must include the four sections noted below. The report must not exceed a total of twenty (20) pages. Appendices A and B are optional.

Section Name	Not to Exceed Page Length
Final Report:	Not to exceed twenty (20) pages
1. Title Page	Not to exceed one (1) page
2. Table of Contents	Not to exceed one (1) page
3. Executive Summary	Not to exceed one (1) page
4. Report Body	Not to exceed seventeen (17) pages
Appendices:	12 pages in total
5. Appendix A: Key Terms	Up to 5 pages
6. Appendix B: Supplemental Data	Up to 5 pages
7. Appendix C: Phase 1 Project Implementation Team	Up to 2 pages

Note: any pages over the page limits may not be reviewed.

B. Paper/Font size. The report must be prepared on 8 ½ x 11 inch paper with 1 inch margins (including header and footer) and be written in Times New Roman 12 point font.



C. Header. Each page of the report must have a header that includes the following information:

FINAL REPORT

<Company Name>

<Report Date>

D. Footer. Each page of the report must have a footer that includes the following information:

Challenge ID Number: <Challenge ID Number>

Contract Number: <Contract Number>

Page <Number>

E. File Format. The report must be a single Adobe PDF file.

F. Submission.

(1) Final Reports must be submitted in accordance with the requirements and timelines/deadlines listed in the company's Phase 1 contract.

Note:

Do not include the above **Instructions** with the report. Use the following **Template** to complete the report but do not include the bracketed [] guidance provided in each section. Remove text within the angled brackets < > and replace it with relevant firm/project information (and remove angled brackets).



Innovative Solutions Canada Call for Proposals

EN578-20ISC3- Call 003

Project Name: <Project Name>

Challenge ID #: <Challenge ID Number>

<Company Name>

<Address 1>, <Address 2>

<City, Province, Postal code>

<Phone>

Prepared By:

<Name>, <Phone>, <Email>

Authorized Officer to Submit Final Phase 1 Report:

<Name>, <Title>, <Phone>, <Email>



Table of Contents [be sure to update TOC when the document is final]

Executive Summary.....	9
Project Objective.....	10
Project Approach	10
Analysis	10
Results.....	10
Conclusions	10
Recommendations	10
References	11
Appendix A: Key Terms	12
Appendix B: Supplemental Data	13
Appendix C: Phase 1 Project Implementation Team	14



Executive Summary

[Clearly state if the work/project was completed on budget, on schedule and within scope. In addition, this section must clearly state the findings of the research performed in Phase I, focusing specifically on the principal results and conclusions that confirm the scientific/technical feasibility of the proposed solution, the ending technology readiness level (TRL) of the solution in Phase 1, and if the work in Phase 1 affected the envisioned benefits to Canada as articulated in the initial application/bid submission.

Introductory material (purpose, scope, and organization), descriptive material (nature and method of research), and the most important results and conclusions are summarized, with emphasis on research findings.

Although a summary introduces no new information, it is independent from the reader's point of view; therefore, all symbols, abbreviations, and acronyms should be defined, and unusual terms are explained. A summary must not contain references or cross-references to other sections of the report.

REMINDER: To be considered for Phase 2, the solution must reach a minimum TRL 3 at the end of Phase 1 (Proof of Concept) but may reach the end of TRL 4.

Project Objective

[Provide a 2-3 sentence summary of the project objectives including the technology/service to address the challenge.]

Project Approach

[Detail the intended approach used to reach the project objective. This section must include information on whether the work/project was completed on budget, on schedule and within scope. If not, an explanation must be provided. This section must also include a summary of the physical and analytical models used, as appropriate, an overview of the basic science behind the technology or process.]

Analysis

[Provide appropriate analysis to allow the challenge sponsoring department to determine if the project objectives were achieved and whether the scientific and/or technical feasibility of the solution has been proven to address the challenge. Explain the relevance of the research to the project objectives, including models used in the data analysis. Any detailed calculations or derivations should be included in Appendix B. The analysis should also clearly identify the TRL level of the solution at the end of Phase 1. Lastly, the analysis should include a discussion on how the work in Phase 1 has affected the envisioned benefits to Canada as articulated in the initial application/bid submission. This includes identifying if new benefits have emerged that previously were unknown.]



Results

[Summarize results obtained during this project with an emphasis on explaining how the research in Phase 1 has confirmed the scientific and/or technical feasibility of the solution. The data should be organized in a logical order, including any tables and diagrams as appropriate, such as system overviews, functional diagrams, and test data. Raw data captured should be included in Appendix B.]

Conclusions

[The conclusions section interprets findings that have been substantiated in the discussion of results and explains their implications. The section introduces no new material other than remarks based on these findings. It includes the author's/creator's opinions and is written to be read independently of the text. The section could include a summary of the conclusions from similar studies, a conclusion based solely on the current results, or an overall conclusion.]

Recommendations

[The recommendations section presents a course of action based on the results and conclusions of the Phase I work. Recommendations might include additional areas for R&D, alternate design approaches, or production decisions. Specific recommendations are presented in a numbered or bulleted list that is introduced by an informative lead-in sentence.]

References

[All cited references should be listed below in the appropriate format. Use the following example formats as necessary.]

[Book Format: Author's last name, first name. *Book title*. Additional information. City of publication: Publishing company, publication date.

1. Boorstin, Daniel J. *The Creators: A History of the Heroes of the Imagination*. New York: Random, 1992.

[Encyclopedia & Dictionary Format: Author's last name, first name. "Title of Article." *Title of Encyclopedia*. Date.

2. Pettingill, Olin Sewall, Jr. "Falcon and Falconry." *World Book Encyclopedia*. 1980.

[Magazine & Newspaper Articles Format: Author's last name, first name. "Article title." *Periodical title* Volume # Date: inclusive pages.



3. Kalette, Denise. "California Town Counts Down to Big Quake." USA Today 9 21 July 1986: sec. A: 1.
Website or Webpage Format: Author's last name, first name (if available). "Title of work within a project or database." *Title of site, project, or database.* Editor (if available). Electronic publication information (Date of publication or of the latest update, and name of any sponsoring institution or organization). Date of access and <full URL>.
4. Dove, Rita. "Lady Freedom among Us." The Electronic Text Center. Ed. David Seaman. 1998. Alderman Lib., U of Virginia. 19 June 1998 <<http://etext.lib.virginia.edu/subjects/afam.html>>]

Appendix A: Key Terms

[Define any key terms and acronyms used in the report. There is a 5 page limit for Appendix A.]

Appendix B: Supplemental Data

[Raw data and detailed computations used in the report development. Other referenced reports must be included in the References section. Company promotional materials and other similar unrelated information must not be included. There is a 5 page limit for Appendix B.]

Appendix C: Phase 1 Project Implementation Team

[Describe the R&D performed by the project implementation team. List the team members, their roles, specific R&D performed, and monetary value of their R&D performed in CAD. Indicate clearly in this section those project team members external to your company. There is a 2 page limit for Appendix C.]

REMINDER: No more than one-third (1/3) of the value of the Phase 1 contract can be sub-contracted to other organizations.]



ANNEX "B" - BASIS OF PAYMENT

Schedule of Milestones

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

Milestone No.	Deliverable	Firm Amount	Delivery Date

**Total Firm Price: \$ _____
(Applicable Taxes extra)**

OR

For the Work described in Annex A – Statement of Work, and in consideration of the Contractor satisfactorily completing all of its obligations under the contract, the Contractor will be paid as follows:

1. LABOUR: at the following firm hourly rates:

CATEGORY (OR NAME)	FIRM HOURLY RATE
--------------------	------------------

_____ \$ _____

_____ \$ _____

etc.

Est.: \$ _____

2. MATERIALS AND SUPPLIES: at actual cost without markup

Est.: \$ _____

3. SUBCONTRACTS: at actual cost without markup

Est.: \$ _____



4. **OTHER DIRECT CHARGES:** at actual cost without markup
Est.: \$ _____

5. **TRAVEL AND LIVING EXPENSES:**
Est.: \$ _____

The Contractor will be reimbursed its authorized travel and living expenses reasonably and properly incurred in the performance of the Work, at cost, without any allowance for profit and/or administrative overhead, in accordance with the meal, and private vehicle allowances specified in Appendices B, C and D of the [National Joint Council Travel Directive](http://www.njc-cnm.gc.ca/directive/d10/en) (<http://www.njc-cnm.gc.ca/directive/d10/en>), 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.

All travel must have prior authorization of the Technical Authority. All payments are subject to government audit.

Estimated Cost to a Ceiling Price: \$ _____

(Applicable Taxes extra)

With the exception of the firm rate(s) and price(s), the amounts shown in the various items specified above are estimates only. Minor changes to these estimates will be accepted for billing purposes as the Work proceeds, provided that these changes have the prior approval of the Technical Authority and provided that the estimated cost does not exceed the aforementioned Ceiling Price.



ANNEX "C" - SECURITY REQUIREMENTS CHECK LIST

(insert if applicable)

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



ATTACHMENT 3 – ADDITIONAL CERTIFICATIONS REQUIRED DURING CONTRACT NEGOTIATIONS

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

The certifications provided by Bidders to Canada are subject to verification by Canada at all times. Unless specified otherwise, 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 made knowingly or unknowingly, 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 and to cooperate with any request or requirement imposed by the Contracting Authority will render the bid non-responsive or constitute a default under the Contract.

Certifications Precedent to Contract Award

1. 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.

The Bidder certifies that:

_____ It understands, complies and respects the provisions under the *Ineligibility and Suspension Policy*.

1.1 Declaration of Convicted Offences

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 a completed [Declaration Form](#), to be given further consideration in the procurement process.



1.2 Does the Bidder have a Board of Directors?

_____ Yes _____ No

If so, the Bidder must submit a complete list of names of all individuals who are currently directors of the Bidder.

Name	Title

2. Federal Contractors Program for Employment Equity - Bid Certification

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 on the [Employment and Social Development Canada \(ESDC\)](https://www.canada.ca/en/employment-social-development/programs/employment-equity/federal-contractor-program.html) website (<https://www.canada.ca/en/employment-social-development/programs/employment-equity/federal-contractor-program.html>).

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](#), attached hereto, before contract award.



3. Former Public Servant Certification

Contracts awarded to 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 awarded to FPSs, bidders must provide the information required below before contract award.

3.1 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:

- a. an individual;
- b. an individual who has incorporated;
- c. a partnership made of former public servants; or
- d. a sole proprietorship or entity where the affected individual has a controlling or major interest in the entity.

"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.



3.2 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:

- (a) name of former public servant;
- (b) 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: 2012-2](#) and the [Guidelines on the Proactive Disclosure of Contracts](#).

3.3 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 (____)

If so, the Bidder must provide the following information:

- a. name of former public servant;
- b. conditions of the lump sum payment incentive;
- c. date of termination of employment;
- d. amount of lump sum payment;
- e. rate of pay on which lump sum payment is based;
- f. period of lump sum payment including start date, end date and number of weeks;
- g. number and amount (professional fees) of other contracts subject to the restrictions of a work force adjustment program.

For all contracts awarded during the lump sum payment period, the total amount of fees that may be paid to a FPS who received a lump sum payment is \$5,000, including Applicable Taxes.



4. Controlled Goods

Will the resulting contract involve controlled goods?

YES (____) NO (____)

5. Price Certification

(____) The Bidder certifies that the price proposed is based on costs computed in accordance with [Contract Cost Principles 1031-2](#), and includes an estimated amount of profit of \$_____.

- OR -

5. 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.

6. 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: _____



7. **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 _____.

8. **Subcontracts**

(____) The Bidder certifies that:

- a. In Phase 1, at least two-thirds of the Work will be performed by the Bidder, no more than one-third of the Work will be subcontracted; and
- b. In Phase 2, at least 50% of the Work will be performed by the Bidder, no more than 50% of the Work will be subcontracted.

9. **Canadian Content Certification**

This procurement is limited to Canadian goods and Canadian services.

The Bidder acknowledges 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 that:

- a. "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.



10. ISC Program Eligibility

Does the Bidder meet the following small businesses eligibility criteria?

YES (____) NO (____)

The Bidder is:

- for profit
- incorporated in Canada (federally or provincially)
- 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.

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.

11. Certification Acknowledgment

The Bidder certifies that the information submitted herein, and the information submitted in its bid, is accurate and complete.

Print Name: _____

Title: _____

Signature: _____

Date: _____