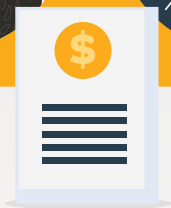


# HELPING NUNAVUT INUIT ACCESS GOVERNMENT PROCUREMENT OPPORTUNITIES

## FEDERAL PROCUREMENT BASICS: PUBLIC SERVICES AND PROCUREMENT CANADA

GUIDE 3A OF 4



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Qikiqtaaluk Business  
Development Corporation

Qikiqtaaluk Business Development Corporation (QBDC) was created to stimulate local, regional and territorial economic development opportunities. Creating partnerships and collaborating with communities, QBDC works to build prosperous, more self-sufficient communities by creating work and capacity building opportunities.

QBDC has developed two informational series to help Inuit businesses access government work and funding opportunities.

The first series is called *Helping Nunavut Inuit Access Procurement Opportunities*. This series answers questions and provides information and resources to help Inuit businesses find work opportunities with the government.

The second series is called *Helping Nunavut Inuit Access Funding Opportunities*. This series provides information to help Inuit access funding to help start or grow your business and to implement your projects.

The first series has four guides and the second series has three guides. All guides are available in Inuktitut and English.

Developed in January 2022.

Funding was provided by Indigenous Services Canada and Qikiqtaaluk Corporation's Fisheries Division.



Indigenous Services  
Canada

Services aux  
Autochtones Canada



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## FEDERAL PROCUREMENT

### Canada

The federal government is one of the largest buyers of goods and services in Canada. They have a wide variety of goods and services needs.

These can range from services such as janitorial, catering, construction, and snow removal services to goods such as clothing, jewellery, office furniture, and gravel.

The Department of Public Services and Procurement Canada (PSPC) manages many procurement opportunities on behalf of most federal departments and agencies.



## OPPORTUNITIES FOR SMALL AND INUIT BUSINESSES

The federal government doesn't just buy from large corporations and businesses, they buy from Indigenous businesses, small independent businesses, start-ups, and solopreneurs.

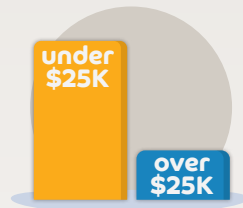


The federal government buys more goods and services from small businesses than from large corporations.



The federal government has set-asides for Indigenous businesses. In Nunavut, this means that whenever possible a procurement opportunity is only available to Inuit businesses registered on the NTI Inuit Firm Registry.

**The federal government doesn't just have large contract opportunities like construction projects. They have many smaller dollar value contract opportunities. These often have a simple process such as an online or telephone purchase by credit card.**



The federal government spends over \$700 million a year in direct purchases less than \$10,000.

Most federal government contracts are less than \$25,000.

## FEDERAL PROCUREMENT OPPORTUNITIES



The federal government uses different ways to find suppliers and award contracts depending on the contract value and the type of good or service they need to buy.

The federal government finds suppliers and awards contracts through:

- Public solicitation of quotes, bids, and proposals
- Directed solicitation of quotes, bids and proposals
- Sole source
- Standing offers
- Supply arrangements



The federal government can also issue pre-solicitation requests such as **Request for Information, or RFIs**. These are often used in the north to gauge capacity of local businesses to provide goods or services. The supplier's response depends on what is requested in the RFI.

RFIs are only for the purpose of gathering information. There is no government commitment for future purchases or contracts. RFIs may be posted publicly or sent directly to businesses on source lists.



## WORKING WITH OTHER BUSINESSES

If there is a procurement opportunity that you are interested in but you feel your business cannot provide all the required goods or services you can look for opportunities to work with another business to fill these gaps.

Options for working with other businesses can include:

- Joint venture with another business
- Prime contractor with subcontractors
- Subconsultant or subcontractor to another business
- Supplier to another business



### How to find work with other businesses

- Join business networks to find businesses to work with.
- Register on Inuit firm databases to promote your business so other businesses can find you to work with them.
- Join the [List of Interested Suppliers](#) available on tender notices.

## PUBLIC SOLICITATION

The federal government has a procurement website to advertise public solicitations. This is where they post tender notices such as RFQs, ITTs and RFPs.

See Guide 1 for more information about RFQs, ITTs and RFPs.



The procurement website is currently called [buyandsell](#) and is transitioning to [CanadaBuys](#).

Some federal government solicitations must be publicly advertised on this website including:

- Goods valued over \$25,000
- Services and construction valued over \$100,000





## HOW TO FIND PUBLIC SOLICITATIONS

- Check the procurement website daily for new solicitations
- Sign up for email notifications about new solicitations specific to your goods or services
- Visit the [Inuit Nunangat Procurement Platform](#) to view and sign up for email notifications about solicitations specific to Nunavut.
- Contact the buyers of [Public Services and Procurement Canada Western Regional Office](#)



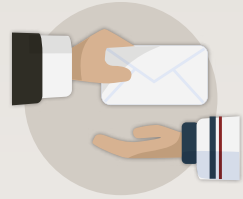
## RESPONDING TO A SOLICITATION

The solicitation documents posted on the website will have information about how to respond with a quote, bid or proposal.

Submitting a quote, bid, or proposal may seem like a complex process. There are resources to help you through this process:

- [Kakivak Association's Introduction to Government Procurement for Nunavut Businesses](#) course
- [Webinars](#) for doing business with the Government of Canada

## DIRECTED SOLICITATION



The federal government can use **directed solicitation** methods if the contract is a **low dollar value**.



Although this is a competitive process, it is much less formal than a public solicitation. It can be as simple as calling or emailing three businesses to request an offer from each.



It is important to promote your business to increase your chances of directed solicitation opportunities.

See Guide 2 for ways to promote your business.



**Low dollar value procurement** is contracts valued under \$25,000 for goods and \$40,000 for services and construction.

The [SELECT database](#) is used to invite firms to bid on construction and maintenance opportunities up to \$100,000. It is important to register for government supplier databases such as this to be eligible for these opportunities.

## SOLE SOURCE



**Sole sourcing** is only used in special circumstances. It can be used for:

- Low dollar value procurement
- Emergencies and national security
- When only one supplier exists for the required goods or service

The federal government tries to avoid sole sourcing because they want to maximize access, competition and fairness to businesses.



## BUILDING NETWORKS

The federal government encourages businesses to build networks with their departments and agencies. They want you to connect with federal officials to promote your business and to distinguish yourself from others. This increases your chances of directed solicitation or sole source opportunities.

Government officials' contact information can be found on the [GCDirectory](#).

## STANDING OFFERS

A **Standing Offer** is an offer from a supplier to provide goods or services at a specific price over a specific time period.



Standing offers are used when goods or services are needed on a regular basis. These goods or services are clearly defined in advance of the need.

Suppliers have **Standing Offer Agreements (SOAs)** with the federal government. More than one supplier can have a SOA for the same goods or services.

### Common goods and services suitable for standing offers:

- Food
- Fuel
- Plumbing supplies
- Repair and maintenance
- Temporary help
- Snow removal



## HOW TO GET A STANDING OFFER AGREEMENT

The federal government issues a **Request for Standing Offers (RFSO)** through public or directed solicitation depending on the value.

You respond to the RFSO with a proposal. If your proposal is approved, you will be awarded a SOA. When more than one proposals are received, the proposals will be ranked.

A SOA is not a contract. When you are awarded a SOA it means you have been approved for potential future work without having to submit a detailed proposal.

## HOW STANDING OFFERS ARE USED

Depending on what is indicated in the RFSO, when the buyer has a need for goods or services listed on the standing offer they will issue a **call-up** through:

- the right of first refusal approach in which the highest-ranked supplier has first opportunity to provide the work.
- the proportional basis approach in which the highest-ranked supplier receives the largest predetermined portion of work and the second highest-ranked supplier receives the second largest predetermine portion of work, and so on.

A **call-up** issued against a standing offer represents a contract.



## SUPPLY ARRANGEMENTS

Similar to a standing offer, the federal government can find suppliers for services that are needed on a regular basis through a **Supply Arrangement**.



Supply arrangements are used when the scope of services required cannot be fully defined in advance or specific prices cannot be set in advance of the need. Suppliers are not bound by pre-arranged prices.

Supply arrangements create a pool of pre-qualified suppliers who are able to provide a specific type of service.

### Common goods and services suitable for supply arrangements:

- Business consulting and professional services
- Accommodation and food support
- General contracting services
- IT services



## HOW TO GET A SUPPLY ARRANGEMENT AGREEMENT

**Request for Supply Arrangements (RFSA)** are posted on the federal government's procurement website. The RFSA details the steps to apply. If your application is approved, you will be awarded a supply arrangement and be placed on the pre-qualified list of suppliers eligible for future procurement opportunities.

You can apply anytime to be on a supply arrangement. Applications are reviewed every three months. It can take up to six months to be notified if your application is approved.

## HOW SUPPLY ARRANGEMENTS ARE USED

When the federal government has a need for goods or services on a supply arrangement they will solicit offers from businesses on the pre-qualified list of suppliers.

This can be a directed invitation for offers or open to any pre-qualified supplier.





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