Lockington, Elliott (SPAC/PSPC)

From: Media <media@tpsgc-pwgsc.gc.ca>

Sent: October 20, 2020 9:23 AM

To: Roy, Cecely (SPAC/PSPC); fitz-morris, James (SPAC/PSPC)

Cc: Media; Jean-François Létourneau; Me'Shel Gulliver Bélanger; Elizabeth Lindsay; Bryan

Blom

Subject: For MO Approval / Media Response - Tier 1 - PPE suppliers and contracts / The Globe

and Mail

Cecely and James,

For MO approval please.

New info.

Merci Jeremy

Media response The Globe and Mail Walsh, Marieke (The Globe and Mail) Date call received: October-06-20 at 19:15

<u>Deadline: October-09-20 at 17:00</u> Tier 1 - PPE suppliers and contracts

CONTEXT (for your information): The reporter had contacted us in May and wanted a list of all of the contracts the government had signed in relation to COVID 19 and whether they were put out to tender or sole-sourced. The Minister's Office had provided a response on May 22.

She came back with the same question and we invited her to check out the following links:

<u>COVID-19 contract information</u> Supplying Canada's response to COVID-19

She has now more precise questions, especially which contracts were sole-sourced.

QUESTIONS AND RESPONSES (for approval):

Q1. Under the summary of aggregate procurements it says current as of July 16, 2020. Does that mean that all of the tables below are also current as of that date? I don't see a date with each of the subsequent tables.

A1. The data reflected in all of the tables is current as of July 16, 2020.

Q2. Are the amounts posted the spending to date or the total value of the contracts signed?

A2. The amounts posted reflect the value of the contracts signed. Total contract values are not included in situations where the government has previously disclosed quantities of units ordered in a given contract. For example, if the government previously announced the purchase of 10,000 gowns from a company, the total value of that contract would not be released as doing so may allow the unit

price to be determined. These values are denoted with the word "protected." In certain instances, contract values are amalgamated to protect commercial confidences.

The procurement environment has evolved since this table was posted. We have secured more than 2 billion articles of various personal protective equipment, and we will continue to receive steady, ongoing deliveries into the coming months. We are also continuing to leverage domestic supply chains wherever possible, with more than 40 percent of the total value of PPE contracts going to domestic companies.

In line with this new reality, and consistent with our commitment to transparency, an update of the web table is anticipated this fall.

Q3. Can you please still clarify which of these contracts were sole-sourced? Or if you can't provide that for each contract can you please tell me the total dollar value of sole-sourced contracts as well as the total number of sole sourced contracts?

A3. At the outset of the pandemic, the Government of Canada took an aggressive, proactive procurement approach to fulfill immediate and future supply requirements. This included buying in bulk from distributors in Canada and internationally to secure key items like personal protective equipment and ventilators, which were in high global demand. Given the urgency of COVID-19 related procurements, Public Services and Procurement Canada, at the request of the Public Health Agency of Canada, invoked the national security exception (NSE), meaning that many solicitation documents were not published on Buyandsell. This allowed us to move rapidly to purchase goods and services to protect the health and safety of Canadians as we face this pandemic. From the contract information on COVID-related procurements published on PSPC's website (https://www.tpsgc-pwgsc.gc.ca/comm/aic-scr/contrats-contracts-eng.html), as of July 16, 2020 a total of 299 contracts were sourced non-competitively representing a total value of approximately \$5.93B.

Since the reopening of the economy, we moved into the next phase of our response to COVID-19 and returned to the use of competitive bidding processes for a range of personal protective equipment items, medical supplies and goods like cloth masks, where circumstances permit, and where the longer timeline is feasible.

Q4. Additionally, can you tell me if all of the new contracts are being awarded through an open tender?

A4. Public Services and Procurement Canada has resumed procuring the required goods and services in response to COVID-19 and to meet Canada's evolving needs through tenders posted on Buyandsell.gc.ca.

Opportunities regarding COVID-19 requirements, as well as other requirements, are posted on BuyandSell.gc.ca.

Suppliers are encouraged to register for email alerts for new bidding opportunities relevant to their product and service areas on BuyandSell.gc.ca.

Response provided to the reporter by the Minister's Office on May 22, 2020:

"As Canadians go back to work and the economy restarts, our strategy remains the same: to buy PPE proactively in a highly competitive market. Our approach in contracting, both domestically and internationally, is to ensure that we have procured a steady supply of goods for frontline healthcare workers in the short and long term. As demand is going up, Canada is keeping up."

- Hon. Minister Anita Anand, Minister of Public Services and Procurement

To be clear, we have not suspended our ordering. So far for the month of May, we have placed orders for approximately 6.5 million masks from a range of suppliers.

In partnership with the Public Health Agency of Canada alongside provinces and territories, we are continuing to place bulk orders for PPE and medical supplies in anticipation of short term and long term needs. This has been our approach from the outset. As we continue to build up and strengthen Canada's supply chains for essential items like masks and gowns, we continue to see deliveries arriving from manufacturers internationally and domestically at a consistent pace.

In particular, over the last two months, we established an A to Z procurement approach to bring in goods from international manufacturers. This approach includes navigating the complex supply chain environment and ensuring that Canada's demands for these life-saving supplies are met. Canada has received 36 plane loads of PPE and medical supplies to date. In addition, domestic manufacturing has ramped up with deliveries of face shields, hand sanitizer and gowns already underway.

- Attributable to the Minister's Office