
Annex 3.3: Division of Responsibilities Between PWGSC and TC for the Acquisition of Materiel and Services

1. Public Works and Government Services Canada (PWGSC) and Transport Canada (TC) agreed to a division of responsibilities between the two departments for the acquisition of materiel and services. This agreement will be amended, if and when required, only with the consent of both departments.

This agreement does not deal with the division of responsibilities for materiel and services managed by an interdepartmental project office which are normally the subject of a separate agreement.

2. For the purpose of this agreement:

General Specifications.: Includes standard commercial off-the-shelf items and items covered by the Canadian General Standards Board (CGSB) or other standards which have been identified by the federal government as the standard use.

Technical Specifications: Includes all products or equipment covered by TC specifications, MIL specifications, specially configured commercial items or other specifications specifically noted or called up in a TC requisition.

Although the Definition of Requirements is a TC responsibility, it should be noted that it is PWGSC policy to encourage, whenever possible, the use of existing standards, specifications or purchase descriptions. It is also policy to procure products or services for which a Qualified Products List, Certified Products List or Registered Quality Systems List exists. In this regard, appropriate qualification, evaluation and verification will normally take place, where possible, based on existing common use industry standards, such as Standards Council of Canada approved National International standards i.e. ISO 9000 and CAN/CSA - Q9000-91 series and commonly used purchase descriptions).

3. PWGSC shall be responsible for purchase planning and contract administration and TC shall be responsible for overall project planning and overall project management.

The responsibilities identified for a sub-activity does not mean exclusive involvement by one department. Close participation and coordination by both departments is essential throughout the various phases of the procurement program.

When participation by the other department is indicated, the responsible department is expected to initiate consultation. However, it does not preclude either department from requesting participation in, or consultation on, any given sub-activity relative to an established program.

For those items requiring TC participation in bid evaluation, PWGSC will provide a copy of all bids received.

Annex 3.3.1: Division of Responsibilities Between PWGSC and TC for the Acquisition of Materiel and Services

Sub-activity Description

A: Definition of Operational Needs - TC assigned overall responsibility

- A.1 Definition of essential characteristics.
- A.2 Delineation of all feasible solutions to meet operational needs.

Responsibility for Sub-activity - TC

- A.3 Preliminary project cost and schedule estimates:
 - a. procurement cost and schedule, and;
 - b. total project cost and schedule.
- A.4 Trade-off analysis of performance, cost and schedule of the various alternatives.

**Responsibility for Sub-activity - TC
Normally Participates in Sub-activity - PWGSC
([A.3a] or as mutually agreed)**

- A.5 Determination of tentative priority rating for allocation of departmental resources between competing operational needs.
- A.6 Obtain approval-in-principle to continue with project.

Responsibility for Sub-activity - TC

B: Development of Total Project Plan - TC assigned overall responsibility

- B.1 Determination of need for special project management.
- B.2 Phasing of project.

**Responsibility for Sub-activity - TC
Normally Participates in Sub-activity - PWGSC**

- B.3 Analysis of interprogram considerations on procurement.

**Responsibility for Sub-activity - PWGSC
Normally Participates in Sub-activity - TC**

- B.4 Major personnel implications and
- B.5 Training of personnel.

Responsibility for Sub-activity - TC

- B.6 Method of meeting maintenance and support requirements.
- B.7 Assessment of the development and research tasks which are required.
- B.8 Analysis of need for consultants.

**Responsibility for Sub-activity - TC
Normally Participates in Sub-activity - PWGSC**

C: Definition of Requirements - TC assigned overall responsibility

- C.1 Definition of materiel and/or services required to meet the operational need (including definition of applicable specifications and standards).
- C.2 Definition of support materiel and services requirements.
- C.3 Definition of:
 - a. quality and inspection systems standards and qualification approvals;
 - b. purchase descriptions which may be utilized by PWGSC to clarify requirements may also be defined by TC.
 - c. acceptance trials and tests (including pre-production samples);
 - d. preferred warranty requirements;
 - e. technical reports from suppliers;
 - f. special packaging and transportation requirements.
- C.4 Preparation of TC requisition for materiel and/or services.

**Responsibility for Sub-activity - TC
Normally Participates in Sub-activity - PWGSC**

(Note: [C.3b] Close cooperation between TC and PWGSC is necessary in deciding any method to state requirement. Purchase description, specifications and standards are outlined in [Chapter 6B](#). [C.3c] Or as specified in the contract or as previously agreed, i.e. Civilian Marine Services.)

- C.5 Forwarding of TC requisition to PWGSC.

Responsibility for Sub-activity - TC

D: Development of Procurement Plan - PWGSC assigned overall responsibility.

- D.1 Assessment of potential sources of supply (Canadian vs offshore, etc.).
- D.2 Exploration of major contracting policy and procedural questions which must be resolved to accomplish procurement.
- D.3 Preparation of sourcing plan for government provision of materiel to contractor.
- D.4 Examination of potential problems in relation to patents, licensing, royalties, technology transfer.

**Responsibility for Sub-activity - PWGSC
Normally Participates in Sub-activity - TC**

- D.5 Development of procurement plan including:
 - a. delivery schedule and acceptance requirement;

**Responsibility for Sub-activity - TC
Normally Participates in Sub-activity - PWGSC**

- b. contractual approach;
- c. target cost and cash flow plan;

Responsibility for Sub-activity - PWGSC
Normally Participates in Sub-activity - TC
([D.5c] Based on information obtained from TC.)

- d. stating of appropriate quality and inspection system standards and qualification approvals;

Responsibility for Sub-activity - TC
Normally Participates in Sub-activity - PWGSC

- e. shipping arrangements: transportation and packaging;

Responsibility for Sub-activity - PWGSC
Normally Participates in Sub-activity - TC

- f. designation of appropriate authorities. These will normally be as follows:
 - (i) design authority;
 - (iii) quality assurance/acceptance authority.

Responsibility for Sub-activity - TC
(Or as specified in the contract, or as previously agreed, i.e. Civilian Marine Services.)

- (ii) contract authority;

Responsibility for Sub-activity - PWGSC

- D.6 Co-ordination of interdepartmental agreements related to procurement plan.

Responsibility for Sub-activity - PWGSC
Normally Participates in Sub-activity - TC and other departments

E: Contracting Process - PWGSC assigned overall responsibility.

- E.1 Acceptance of requisitions.

Responsibility for Sub-activity - PWGSC

- E.2 Selection of vendors to be invited to bid when applicable.
- E.3 Development of criteria and method of bid evaluation.
- E.4 Approval of final bid solicitation draft.

Responsibility for Sub-activity - PWGSC
Normally Participates in Sub-activity - TC
([E.3] Bid criteria developed in close consultation with TC.)

- E.5 Preparation and dispatch of bid solicitation document.

Responsibility for Sub-activity - PWGSC

- E.6 Bid evaluation and supplier selection:
(All bids will be made available to TC at time of evaluation for (i) technical

specifications; and (ii) general specifications.)

- a. technical evaluation as required;

Responsibility for Sub-activity - TC

- b. time, cost and other contractual evaluation including consideration of trade-off analysis (see Section A4);
- c. consolidated evaluation and selection of supplier.

E.7 Contract negotiation.

E.8 Prepare and issue contract.

**Responsibility for Sub-activity - PWGSC
Normally Participates in Sub-activity - TC**

E.9 Approval of preproduction samples (if required prior to production).

E.10 Design change to work under contract:

- a. approved technical aspects of proposed change;
- b. point of effectivity decision;

**Responsibility for Sub-activity - TC
Normally Participates in Sub-activity - PWGSC**

- c. negotiate change and authorize contractor to proceed;

**Responsibility for Sub-activity - PWGSC
Normally Participates in Sub-activity - TC**

- d. funding approval.

**Responsibility for Sub-activity - TC
Normally Participates in Sub-activity - PWGSC**

E.11 Production surveillance including:

- a. production schedule compliance;

**Responsibility for Sub-activity - PWGSC
Normally Participates in Sub-activity - TC
*(or as otherwise agreed)***

- b. authorized configuration change.

**Responsibility for Sub-activity - TC
Normally Participates in Sub-activity - PWGSC
*(as specified in the contract)***

E.12 Compliance with procurement cash commitment and cash flow plan.

**Responsibility for Sub-activity - PWGSC
Normally Participates in Sub-activity - TC**

(or as mutually agreed)

- E.13 Certification of progress claims that the required work has been accomplished.

Responsibility for Sub-activity - PWGSC/TC
(as specified in the contract)

- E.14 Requisition of cheques to pay supplier.

Responsibility for Sub-activity - TC

- E.15 Acceptance trial and tests:
a. supervise tests/trials;
b. evaluate tests/trials;

Responsibility for Sub-activity - TC
Normally Participates in Sub-activity - PWGSC
(or as specified in the contract, or as previously agreed, i.e. Civilian Marine Services)

- c. ensure contractor completes tests/trials in accordance with contract.

Responsibility for Sub-activity - PWGSC
Normally Participates in Sub-activity - TC

- E.16 Ensure, in concert with PWGSC, the delivery of materiel and/or services is rendered in accordance with the contract.
Warranty provisions:

- a. invoke warranty provisions;

Responsibility for Sub-activity - TC
Normally Participates in Sub-activity - PWGSC

- b. enforce warranty provisions.

- E.17 Resolution of contract disputes.

Responsibility for Sub-activity - PWGSC
Normally Participates in Sub-activity - TC

F: Acceptance and Final Payment - TC assigned overall responsibility

Responsibility for Sub-activity - TC

G: Contract Close-out and Clean-up - PWGSC assigned overall responsibility

- a. Claim settlement;
b. Contract closing amendment or letter (if required);

Responsibility for Sub-activity - PWGSC
Normally Participates in Sub-activity - TC

- c. Production assets:

- (i) disposition decision;

Responsibility for Sub-activity - TC
Normally Participates in Sub-activity - PWGSC

- (ii) assets management.

Responsibility for Sub-activity - PWGSC/TC