

ADVANCE CONTRACT AWARD NOTICES (ACANS)

An ACAN is a public notice indicating to the supplier community that a department or agency intends to award a good, service or construction contract to a pre-identified supplier, believed to be the only one capable of performing the work, thereby allowing other suppliers to signal their interest in bidding by submitting a Statement of Capabilities.

If no other supplier submits a Statement of Capabilities that meets the requirements set out in the ACAN, the contracting officer may then proceed with awarding the contract to the pre-identified supplier.

The objectives of the ACAN process are to:

- provide a procurement process that is efficient and cost effective while being fair, open and transparent;
- provide potential suppliers with the opportunity to demonstrate, by way of a Statement of Capabilities, that they are capable of satisfying the requirements set out in the ACAN; and
- respect the principles of government contracting by enhancing fairness, access and transparency.



MYTHS ABOUT ACANS

MYTH #1 - AN ACAN IS A COMPETITIVE PROCESS

Response - **Incorrect!**

An ACAN is not a competitive process. An ACAN is used to announce the intention to award a contract to a particular supplier. If a valid Statement of Capabilities is not received within the notice period, then, for the purposes of contract approval authorities only, a contract awarded after posting an ACAN is deemed to be a competitive (electronic) contract.

MYTH #2 - GOVERNMENT CONTRACTS REGULATIONS (GCRs) DO NOT APPLY WHEN AN ACAN IS ISSUED

Response - **Incorrect!**

The GCRs require the solicitation of bids before any contract is entered into. In all instances where bids are not solicited, the legal authority to use an exception to soliciting bids must be fully justified by the client department with a reference to the applicable exception to competitive bidding which may apply under the [Government Contracts Regulations](#) (GCRs) of the [Financial Administration Act](#) (FAA), and the limited tendering provisions of Canada's national and international trade agreements. Even when one of the exceptions apply, the electronic bidding methodology is encouraged whenever possible (through an ACAN).

MYTH #3 - AN ACAN CAN STILL BE POSTED EVEN WHEN THERE IS NO POSSIBILITY OF ACCEPTING A STATEMENT OF CAPABILITIES

Response - **Incorrect!**

An ACAN must NOT be posted when there is no possibility of accepting a Statement of Capabilities from another supplier. Contracting officers must ensure that Canada is in a position to accept a Statement of Capabilities before publishing an ACAN.

MYTH #4 - AN ACAN CAN BE POSTED FOR LESS THAN 15 CALENDAR DAYS

Response - **Incorrect!**

An ACAN must be posted for no less than 15 calendar days.

MYTH #5 - AN ACAN MUST CONTAIN A COMPLETE DESCRIPTION OF THE REQUIREMENTS

Response - **Incorrect!**

An ACAN must contain a description of the requirement that is sufficiently defined so that industry can understand the government's high level requirements.

It must also contain the criteria against which all suppliers will be evaluated. Statements of Capabilities submitted by potential suppliers will be assessed against these criteria. Information provided must be sufficient to allow other suppliers to determine if they possess the capabilities required to satisfy the requirement. The pre-identified supplier must also meet these criteria.

REFERENCES:

Supply Manual sections:

- [3.15 Non-competitive Contracting Process](#) (For exceptions under the GCRs)
- [3.15.5 Advance Contract Award Notice](#)
- [3.15.5.1 Advance Contract Award Notice Time Limit](#)
- [3.15.5.5 Procedures for Posting an Advance Contract Award Notice](#)
- [3.15.5.10 Statement of Capabilities \(Challenge Process\)](#)
- [3.15.5.15 Advance Contract Award Notice Exceptions](#)
- [3.15.5.20 Documenting the Procurement File](#)
- [Annex 3.3 Model Content of an Advance Contract Award Notice](#)

Treasury Board Contracting Policy sections:

- Section 10.7.13
- Section 10.7.17
- Section 10.7.30 Non-competitive contracts