

## **Emergency Procurement**

In accordance with Treasury Board (TB) Contracting Policy Notice <u>CPN 2007-4 - Non-Competitive Contracting</u> a pressing emergency is defined as a situation that meets one or more of the following conditions:

- An actual or imminent life-threatening situation.
- A disaster that endangers the quality of life or safety of Canadians.
- A disaster resulting in the loss of life.
- A disaster causing significant loss or damage to Crown property.

## **Client Departments Emergency Contracting Authority**

Under the <u>Directive on the Management of Procurement</u>, departments may enter into or amend a contract or contractual arrangement up to a total value of **\$3 million** (including taxes, fees and amendments) in response to a pressing emergency. Refer to the following resources for details:

<u>Appendix A: Contracting Approvals</u> - Section A.3.2 – for department-specific limits 3.22.10 Emergency requirements (departments) - Emergency Requirements (Departments)

## Public Services and Procurement Canada (PSPC) Emergency Contracting Authority

In accordance with the Treasury Board (TB) <u>Directive on the Management of Procurement</u> PSPC may enter into a non-competitive emergency contract/contractual arrangement on behalf of any department, up to a total value of **\$25 million** (including all applicable taxes, fees and amendments).

## **Emergency Contracting Procedures**

PSPC's Acquisitions Branch may exercise emergency contracting authority on behalf of client departments only when **all** the following conditions are met, as outlined in Section A.3.1.1 of the Directive:

- The requirement cannot be met through normal contracting procedures due to urgency.
- The urgency provisions of applicable trade agreements are invoked, or a valid exemption applies.
- The Minister (or a delegated authority) approves the use of emergency contracting authorities.
- The most senior contracting authority available enters the contract or contractual arrangement; and
- Any limitations of liability or indemnification clauses are approved by the chief financial officer or the most senior designated official available.

**Important:** The client department must provide a **detailed explanation of the emergency**, including a description of the events and the potential consequences. This is necessary to justify the use of emergency contracting provisions and the selected procurement approach.

Additionally, departments must submit a **report to the Treasury Board within 60 calendar days** in accordance with the Reporting Requirements for emergency contract

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