Office of the Procurement Ombudsman (OPO)

OPO’s Mandate Within the Canadian Federal System

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Promoting Fairness, Openness and Transparency in Federal Procurement
Procurement in the Canadian Context

- Over 300,000 contracts annually - $15 to $20B
- Numerous players in procurement:
  - Treasury Board
  - Justice Canada
  - Public Works and Government Services Canada
  - 100+ departments & agencies
- Multiple requirements
  - Over 15 acts of Parliament
  - Over 35 policies
Federal Accountability Act (2006) - measures to strengthen accountability, increase transparency and oversight.

* Office created in 2006 - in operation since 2008

- Procurement system was limited in providing recourse mechanisms for suppliers dealing with small dollar value contracts

- No neutral dispute resolution mechanism available to departments & suppliers for lower dollar value contracts

- No oversight body dedicated to federal procurement

Created to fill a gap
An Independent Organization

- Government-wide mandate operating at arm’s length from departments
- Reports to the Minister of Public Works and Government Services
- Produce an Annual Report - Minister tables this report in Parliament
- Neither a lobbyist for suppliers nor an apologist for federal departments
Legislative Mandate

1. Review complaints respecting the award and administration of contracts

2. Ensure Alternative Dispute Resolution (ADR) services are available

3. Review procurement practices of departments for acquiring goods and services
Mission and Method

- **OPO’s mission:** To promote fairness, openness and transparency in federal procurement (F.O.T.)

- **Method:**
  - **EDUCATE**: Raise awareness of procurement issues and exchange information
  - **FACILITATE**: De-escalate disputes and help resolve issues
  - **INVESTIGATE**: Examine and review procurement issues
Educate

- Listen – Understand
- Provide Information
- Answer Questions
- Bring Perspective
- Monitor and share trends and developments
Primary areas of concern (suppliers):
- Evaluation & selection plan
- Procurement strategy
- Statement of work
- Evaluation of my bid
- Contract execution
- Inaction by Department

Other areas of concern (suppliers and federal officials):
- Vendor performance
- Procurement documentation
- Training
Facilitate

- Informal Resolution
- Shuttle Diplomacy
- Dialogue to de-escalate issue
- Alternative Dispute Resolution (ADR)
Alternative Dispute Resolution (ADR)

- **Why:**
  - Alternative to lengthy and costly litigation
  - To reach a mutually agreeable settlement and maintain business relationships

- **What:**
  - Disputes regarding application and/or interpretation of terms and conditions of a contract

- **Who:**
  - Either department or supplier can request
  - Both parties must agree to participate
Investigations

- **Why:**
  - To listen and address concerns from suppliers
  - Mandatory if regulatory criteria are met

- **What:**
  - Contract award – below 25K (goods) and 100K (services)
  - Contract administration – no dollar limits

- **Who:**
  - Canadian suppliers who submit a complaint in writing after a contract is awarded
Procurement Practice Reviews

- **Why:**
  - Focus on the prevention of problems (educate)
  - Highlight areas for improvements and stimulate discussion
  - Identify and share effective practices
  - Provide balanced and useful recommendations

- **What:**
  - Review practices of departments to assess fairness, openness and transparency
  - Look at “systemic issues” in federal procurement

- **Who:**
  - Federal departments and agencies
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