

Project Bidding

PEMD support for project bidding or proposal preparation at the pre-contractual stage is designed to assist Canadian firms in bidding for major capital projects outside Canada, either involving international competition or formal bidding procedures, or being undertaken in countries with centrally planned or transitional economies. The bids are for the supply of Canadian goods and services such as engineering, construction, equipment and management consulting.

Assessment of an application takes into consideration whether the bid is substantially larger and involves more risk than one that the firm would or could normally undertake. Also considered is whether the bid has a reasonable probability of success.

Assistance cannot be provided when more than one Canadian firm competes for the same contract.

In cases involving ad hoc consortia, each member firm's individual application is evaluated against program eligibility criteria.

A subcontractor bidding to a Canadian or foreign prime contractor on a foreign project may be eligible for PEMD assistance if one or more of the following conditions apply:

- travel outside Canada is required to negotiate directly with the foreign client or the client's agent, or to obtain information necessary to prepare the bid;
- the prime contractor has requested, or intends to request, foreign bids;
- the products or services provided to the prime contractor are an essential part of the export package; or
- follow-up services must be provided outside Canada by the subcontractor. The subcontractor is ineligible if responsibility ends with delivery of supplies in Canada to the Canadian prime contractor.

Due to the short lead time common in the international project bidding process, a notice of intent to submit an application (letter, fax, or telex), is acceptable to establish an effective date for eligible expenses. Full documentation is due within three weeks of that date.

PEMD Contribution

The PEMD contribution to project bidding includes:

- a per diem allowance of \$100 in Canada, and \$150 while on travel status outside Canada, for the applicant's professional-level employees working on bid preparation and other aspects of the project (excluding support and administrative personnel such as secretaries and clerks).
- The program will also pay 50 per cent of the cost of:
 - return economy international airfare (or equivalent) for company officials or incoming potential clients to Canada or to another approved location;
 - the following, if incurred at arm's length to the applicant:
 - printing, computer and word processing;