

(b) Canada

Even with the cost and time involved in shipping goods to missions it often makes sense to procure goods in Canada. Large orders of stationery and staff quarter furniture are examples of goods for which missions are the procurement authority but they may still find it advisable to order from Canada. However, missions do not have the authority to carry out any procurement directly in Canada and must process all orders through the responsible headquarters unit.

(c) Third Country

In some locations and for some commodities it may be advisable to procure goods in a third country or location, i.e. somewhere other than the city where the mission is located and outside Canada. Third country procurement is normally done by placing an order directly with a supplier or through a Canadian mission in that location. Using another mission is strongly recommended over direct procurement, if the mission agrees to provide the support and can do it in a reasonable time. Some missions have staff whose duties include providing procurement services for official requirements of other missions, e.g. Miami and Hong Kong. Missions carrying out procurement on behalf of others must ensure that funds are available and that the requirement is adequately described. The third country missions must also recognize that it is their delegated authority that is being exercised and that accountability for the contracting process (following competitive process, awarding to low bidder, etc.) rests completely with them.

While third country sourcing can be efficient and economical, the following should be considered:

- inconvenience associated with incorrect selection;
- higher risk of damaged or missing goods;
- high shipping costs if suppliers arrange direct forwarding; if headquarters is to cover shipping costs they must be told in advance.

2. Renting

A buy versus rent cost and risk analysis should be carried out where there is a choice between the two approaches. A summary of the analysis should be retained on file for audit purposes. SKRA (photocopiers) STEM (facsimile machines, other telecommunications and computer equipment), and SRMP (other materiel) will provide advice and assistance on request. ISSA will provide security risk assessment advice.

As a long-term solution, renting materiel is usually more expensive than buying. However, situations can arise where uncertainty about future needs, maintenance considerations, and funding availability may make rental the preferred approach. In cases where there are insufficient funds to buy, but enough to rent, and where purchasing is preferable, missions should consult their area management advisor before proceeding.

3. Disposal

The purpose of the policy is to maximize financial benefits to the Crown, minimize loss due to deterioration, and reduce long-term storage costs. The policy applies to all materiel and the proceeds can be applied to any capital expenditures.

Missions have authority to act as departmental agents for the Crown Assets Distribution Centre (CADC) in accordance with their policies. For some commodities, the mission must obtain advice and approval from the commodity specialist at headquarters before initiating disposal action (see Annex C). Missions should consult ISSA before disposing of any materiel subjected to high risk security factors.