

Canadian Commercial Corporation Corporation Commerciale Canadienne

# Access the U.S. Department of Defense Through the Government of Canada DFARS 225.870





Government Go of Canada du

Gouvernement du Canada



## Supporting Defence Trade Between Canada and the United States

Each year the Canadian Commercial Corporation (CCC) contracts for and manages approximately \$1 billion in contracts with Canadian companies' and the U.S. Department of Defense (U.S. DoD).

#### THE DEFENCE AND SECURITY EXPORT SALES ORGANIZATION OF THE GOVERNMENT OF CANADA

CCC is the Crown corporation of the Government of Canada (government-owned enterprise) that undertakes sales of defence and security technology and expertise from Canada on a government-to-government basis.

#### CCC AND U.S. DOD

CCC's defence and security business is anchored in the Canada-U.S. defence trade relationship. For over 65 years, CCC has worked closely with U.S. DoD to support and strengthen the integrated North American defence industrial base.

CCC is specifically referenced in the U.S. Defense Federal Acquisition Regulation Supplement (DFARS), providing Canadian

Purchases from Canada above the simplified acquisition threshold will be made through the Canadian Commercial Corporation.

Acquisition Policy Directive, U.S. Department of Defense

#### **Canadian Commercial Corporation**



U.S. Department of Defense and NASA

Global Defence and Security

International Commercial Business

companies with unique access to the largest defence market in the world.

Military acquisitions from Canada through CCC provides the U.S. DoD with the assurance, backed by the Government of Canada, that the contract will be fulfilled in accordance with its terms and conditions. As Prime Contractor, CCC endorses the Canadian proposal, issues a subcontract to the Canadian supplier whose proposal was selected for award and administers the contract.

CCC serves as the point of contact for U.S. DoD procurement officials and the Defense Contract Management Agency (DCMA) – Americas office located in Ottawa, Canada.



### CCC role is anchored in the Defense Federal Acquisition Regulation Supplement (DFARS 225.870)

#### Learn about U.S. DOD Policies

Department of Defense Instruction 2035.01 February 27, 2006	Reaffirms U.S. DoD policy on maintaining and strengthening defence cooperation with Canada through the promotion of a strong, integrated and more widely dispersed defence industrial base; fostering greater standardization and interoperability of military equipment; removing obstacles to the free flow of defence equipment trade; and giving equal consideration to the offers of sources in both countries for defence procurement.
DFARS 225.870	Stipulates that U.S. DoD purchases from Canada over the simplified acquisition threshold of USD\$150,000 must be contracted with CCC.
DFARS 225.870-1(a)	Contracts awarded to CCC have a guarantee of contract performance by the Government of Canada.
DFARS 225.872-1(a)	Implements the waiver of the Buy America Act for Canadian materials and supplies used in defence equipment.
DFARS 252.225-7013 (Duty-Free Entry)	Most Canadian products imported into the U.S. for defence use are exempt from U.S. customs duties.
U.S. DoD Small Business Programs	Canadian companies do not qualify for U.S. Small Business programs and cannot bid on small business set-asides.
1956 Canada-U.S. Defence Production Sharing Agreement	CCC administers the DPSA on behalf of the Government of Canada. Under the DPSA, CCC acts as Prime Contractor on U.S. DoD contracts for purchases from Canada.
1963 Canada-U.S. Defence Development Sharing Agreement	CCC facilitates shared funding of research and development projects involving Canadian companies and the U.S. DoD. Under the DDSA, CCC acts as Prime Contractor for U.S. DoD contracts. This program is managed by Industry Canada <b>www.ic.gc.ca</b>

## ARE YOU THINKING OF ENTERING THE U.S. MARKET?

CCC works with Canadian companies and individuals to sell a wide range of defence and security technologies and services – from spare parts and components to systems and platforms.

#### Finding Potential Customers in U.S. DoD

Are there customers for your product/service in U.S. DoD? CCC, working with Canadian Trade Commissioners and other government partners, may be able to help you identify the buying commands or defence logistics agencies you might consider targeting.

#### Selling End-Users on Your Product/Service

Your local Trade Commissioner Service representative may also be able to use its network of colleagues throughout the U.S to help find key contacts and set up meetings for you. Go to *Offices in Canada* at **www.tradecommissioner.gc.ca** 

#### Building Awareness of Your Product/Service

There are a number of established defence trade shows that target the U.S. DoD and these can be very effective. Learn more about how you can participate through the website of the Canadian Association of Defence and Security Industries (CADSI) and Aerospace Industries Association of Canada (AIAC). Go to CADSI International Events at www.defenceandsecurity.ca and AIAC News and Events at www.aiac.ca

## Introducing New Technology to U.S. DoD

The Foreign Comparative Testing Program (FCT) is a U.S. DoD initiative that allows for the testing and evaluation of items and technologies by the U.S. armed services in order to satisfy U.S. defence requirements. The program is administered in Canada by the Department of National Defence. Go to Foreign Comparative Testing Program at www.materiel.forces.gc.ca

#### **GET ACCESSIBLE, RELIABLE ADVICE**

Whether your company is looking to explore sales to U.S. DoD or you are actively preparing proposals in response to U.S. DoD solicitations, CCC can provide advice on how the process works. Learn more about:

- Defence Production Sharing Agreement (DPSA)
- Federal Acquisition Regulation (FAR)
- Defense Federal Acquisition Regulation Supplement (DFARS)
- CCC's role in U.S. DoD acquisition from Canada
- Understanding U.S. DoD solicitations
- CCC's due diligence and price certification to secure endorsement



# GETTING READY TO SELL TO THE U.S. DOD?

CCC has a knowledgeable and experienced team to advise you on registering to do business with U.S. DoD including:

- Getting your FSC/NAICS Code
- Getting your DUNs number
- Getting your SIC number
- Using www.sam.gov for U.S. Federal Contractor Registration
- Getting your CAGE and/or NCAGE Code
- Using www.FedBizOpps.gov to find opportunities
- Using the United States/Canada Joint Certification Program (JCP) to access unclassified technical data

#### If you know the U.S. DoD solicitation you intend to bid on, please contact CCC at info@ccc.ca.

#### PREPARING A PROPOSAL?

Once you have found a solicitation of interest and wish to pursue it, you may want help interpreting the solicitation. CCC can review the solicitation and help interpret the U.S. DoD documents.

### CCC Endorsement of the Proposal to U.S. DoD

CCC will need to review your technical and financial proposal and your company's audited financial statements to complete its due diligence before endorsing your proposal to U.S. DoD. CCC manages its risk by assessing the managerial, technical and financial strength of your company to perform the work of each solicitation you intend to bid on.

#### **CCC Price Certification to U.S. DoD**

CCC, through Public Works and Government Services Canada, provides U.S. DoD with an assessment that your costs or pricing contained in your bid are *fair and reasonable* and in-line with what the Government of Canada has paid/ would pay for similar work. CCC will perform a price certification where a solicitation is not competitive.

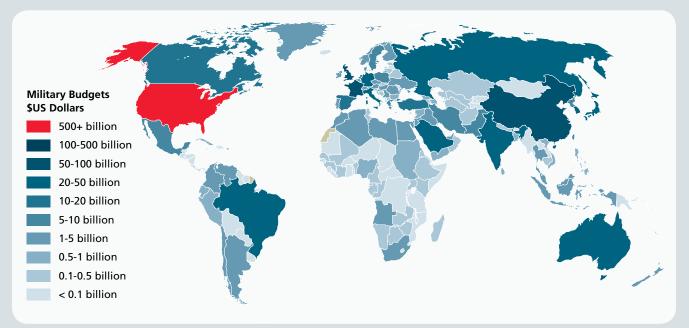


### U.S. DoD – The World's Largest Defence Market

#### World's top 15 military spenders in 2012<sup>1</sup>

Rank	Country	Spending (\$ Bn.)	% of GDP	World share (%)	Spending (\$ Bn. PPP)
-	World total	1,753.0	2.5	100	1562.3
1	United States	682.0	4.4	39	682
2	China <sup>x</sup>	166.0	2.0	9.5	228
3	Russia <sup>x</sup>	90.7	4.4	5.2	93.7
4	United Kingdom	60.8	2.5	3.5	57.5
5	Japan	59.3	1.0	3.4	50.1
6	France	58.9	2.3	3.4	44.7
7	Saudi Arabia <sup>y</sup>	56.7	8.5	3.2	58.8
8	India	46.1	2.5	2.6	117
9	Germany <sup>x</sup>	45.8	1.4	2.6	40.4
10	Italy <sup>x</sup>	34.0	1.7	1.9	28.5
11	Brazil	33.1	1.5	1.9	33.8
12	South Korea	31.7	2.7	1.8	42.1
13	Australia	26.2	1.7	1.5	16.6
14	Canada <sup>x</sup>	22.5	1.3	1.3	19.9
15	Turkey <sup>xz</sup>	18.2	2.3	1.0	25.2

#### Military spending



<sup>1</sup>Source: SIPRI Yearbook 2013

×SIPRI estimate.

<sup>y</sup> The figures for Saudi Arabia include expenditure for public order and safety and might be slight overestimates.

<sup>z</sup> It is possible that the United Arab Emirates (UAE) would be in 15th position in place of Turkey, but data is not available for the UAE in 2012.

#### LOOKING TO EXPORT TO DEFENCE MARKETS BEYOND THE U.S.?

CCC is the Crown corporation of the Government of Canada that undertakes sales of defence and security technology and expertise from Canada on a government-togovernment basis.

If you think your international customer might be interested in an acquisition on a government-to-government basis, contact CCC to find out more about **CCC's Global Defence and Security Sales**.

**CCC's Global Defence and Security Sales** combines the best features of both direct commercial and foreign military sales-type procurement approaches: a commercial timeframe, customized offerings and Government of Canada contract oversight and guarantee of contract performance. "CCC was a vital partner to establish credibility with the Colombian Ministry of National Defence. Since partnering with CCC, we have signed on to deliver a priority acquisition to the Ministry and are working toward a long-term relationship."

Danny Deep, Vice-President, General Dynamics Land Systems-Canada

"When our company decided to explore opportunities in Peru and Malaysia, we sought assistance from CCC. They negotiated government-to-government contracts on our behalf, giving comfort to our new customers that they will get the goods, and providing us comfort that we will be compensated according to the contract."

**Robert Walsh**, President and CEO, Forensic Technology Inc.





Photos courtesy of Textron Systems Canada, General Dynamics Land Systems-Canada and Department of National Defence / Canadian Armed Forces

### Your Partner In Defence Exports



Canadian Commercial Corporation Corporation Commerciale Canadienne



Global Affairs Canada Trade Commissioner <u>Servi</u>ce Affaires mondiales Canada Service des délégués commerciaux



National Défense Defence nationale

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www.ccc.ca



#### Mandate

CCC is a state-owned enterprise of the Government of Canada established for the purpose of assisting in the development of trade between Canada and other nations.

#### Mission

CCC supports the development of trade by helping Canadian exporters access government procurement markets of other nations through government-to-government contracting.

#### Commitment

As the Government of Canada's defence and security export sales organization, CCC is committed to being a trusted partner for acquisitions from Canada on a government-to-government basis.





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