**Follow-up Response to the House of Commons Standing Committee on
Government Operations and Estimates (OGGO)
Supplementary Estimates (C) 2020-21
March 10, 2021**

1. **Additional Information on contracts with CISCO - Ms. Rachael Harder (CPC) (SSC)**

Government Response

English response:

The Government of Canada is vendor agnostic and committed to openly competing procurement activities to get the best value for Canadians. In fact, in 2019-20, approximately 87% of Shared Services Canada's (SSC) $1.3 billion worth of procurement was done via competitive processes.

Decisions about which technologies to acquire are determined by the specific requirements of each individual project. At times it is necessary to issue tenders for brand-name products. For example: when purchasing equipment for an existing network comprised of such products, technical requirements may dictate which products can be installed without compromising stability or security. When a brand name is indicated in the requirements, vendors have the option to bid equivalent products that meet the minimum requirements of the tender.

With regard to Cisco: SSC does not buy networking equipment directly from Cisco, but instead through Cisco's licensed resellers which are Canadian technology services companies. SSC awarded a total of 153 Cisco related contracts to resellers last fiscal year valued at approximately $145 million. Contracts were issued to 25 different resellers of Cisco, 22 of which are small and medium enterprises. Some of the Cisco technology requirements have been procured via original equipment manufacturer specified procurements, but other requirements have been openly competed with the Cisco technology solution being the winning bid.

When established in 2011, Shared Services Canada inherited a large, complex network infrastructure. To maintain existing infrastructure, it is essential to acquire equipment that is compatible with what we already have. This ensures continued services to federal organizations who provide important services to Canadians.

We are continuously working to maintain the Government of Canada network and legacy networks until such a time as they can be modernized.

As we move forward with network modernization, we will incorporate more standardized and generic technologies, where possible, while ensuring compatibility. Key to SSC's network modernization is the move towards open standards, which will open up competition and foster innovation. For example, SSC recently competed open procurements for network equipment for the Vancouver Hub Data Centre and an inventory of network switches.

SSC regularly consults with industry to validate its strategic direction and ensure it is acquiring and deploying the right technologies and getting the best pricing from vendors to deliver maximum value for Canadians. These consultations take numerous forms and include vendors, industry associations and experts.