

CHANGES HAVE ARRIVED AT THE CONTRACT SECURITY PROGRAM: PERSONNEL SECURITY CLEARANCES

Posted on November 8, 2021

Categories: [Insights](#), [Publications](#)

The Contract Security Program ("**CSP**") at Public Services and Procurement Canada ("**PSPC**") is implementing significant changes to the security screening process. Changes to the process were due to come into effect on September 1, 2021 but in the face of industry resistance, some changes were paused and others delayed. The first phase of implementations is now in effect.

As of October 4, 2021, organizations who participate in government procurement processes are now only be able to obtain, renew, reactive, transfer, duplicate or upgrade personnel clearances if one of the following is met:

- The clearance is required to participate in the pre-solicitation stage of a procurement process;
- The individual has been identified as a resource in a bid submission and is required to hold the necessary clearance at contract award;
- The individual is involved in a multinational program (program/project/contract between multiple cooperating nations); or,
- The clearance is required for access to protected or classified information, assets or sites in order to work on an active contract, subcontract or lease.

The benefit of the previous system was that new clearances were not required for each procurement process. Workers could also move between projects requiring clearances with ease. But according to PSPC, more than 80% of those individuals screened over the past 5 years have not been associated with a contract or subcontract that required a clearance.

An organization's company security officer ("**CSO**") will now need to provide a justification for each personnel clearance and that means the potential for added delays and expense. More resources will need to be devoted to monitoring and obtaining the required clearances. For example, where employees are working on multiple contracts, CSOs will need to identify for the CSP which contract each individual will be working on the most.

On the other hand, PSPC expects that personnel security screenings will be processed more quickly (for example, from 7 business days to 4 business days for reliability status, 85% of the time).

Organizations will also no longer need the requisite security clearance at the date of bid closing for PSPC-led processes. Rather, organizations will have until the date of the contract award to obtain requisite clearances. If a supplier needs a security clearance in order to access information to prepare their bid, a provisional clearance (only valid for the bid solicitation stage) may be obtained.

Although a date for further implementations – including for the organization security screening process – has not yet been announced, we anticipate more substantial changes are coming soon.

by [Chris Kalantzis](#), [Jonathan O'Hara](#), and [Timothy Cullen](#)

A Cautionary Note

The foregoing provides only an overview and does not constitute legal advice. Readers are cautioned against making any decisions based on this material alone. Rather, specific legal advice should be obtained.

© McMillan LLP 2021