

Ontario  (<https://www.ontario.ca/page/government-ontario>)

Procurement Restriction Policy

The Procurement Restriction Policy applies to all public sector entities including the designated Broader Public Sector organizations.

1.0 Purpose

This Procurement Restriction Policy (Policy) is designed to restrict United States (U.S.) businesses from accessing public sector procurements in Ontario.

It is in force as a response to U.S. tariffs on Canadian products and services.

Should tariffs be lifted, this Policy would be assessed and may be adjusted or rescinded.

This Policy is issued under the authority of the *Management Board of Cabinet Act*, and the *Broader Public Sector Accountability Act, 2010*.

Issued by Management Board of Cabinet,
Effective March 4, 2025

2.0 Effective Dates

Government entities: March 4, 2025

Designated BPS organizations: March 4, 2025

3.0 Application and Scope

This Policy applies to all public sector entities, which means government entities and all designated Broader Public Sector (BPS) organizations, unless otherwise specified.

Government entities:

- all ministries
- all provincial agencies (including any provincial agencies that are Other Included Entities under the OPS Procurement Directive)
- the Ontario Power Generation (OPG)
- the Independent Electricity System Operator (IESO)

Designated BPS organizations:

- the BPS organizations that are subject to the BPS Procurement Directive (<https://www.ontario.ca/files/2025-03/tbs-bps-broader-public-sector-procurement-directive-en-2025-03-04.pdf>)

Existing procurement direction continues to apply, including the rules to support the Building Ontario Businesses Initiative (BOBI). For government entities this means all applicable procurement directives, including the OPS Procurement Directive. For the BPS this means the BPS Procurement Directive.

In the event of any conflict or inconsistency between any applicable procurement directives and this Policy, this Policy prevails to the extent of the conflict or inconsistency.

This Policy does not prevail over legislation.

This Policy applies:

- to all new procurements of goods and services (consulting and non-consulting) at any value.
- regardless of the method of procurement — invitational, open competitive or non-competitive.

This Policy does not apply when public sector entities use existing Vendor of Record arrangements (VORs) or other arrangements available to public entities.

A U.S. business means a supplier, manufacturer or distributor of any business structure (includes a sole proprietorship, partnership, corporation or other business structure) that:

1. has its headquarters or main office located in the U.S., and
2. has fewer than 250 full-time employees in Canada at the time of the applicable procurement process.

If a bidder or vendor is a subsidiary of another corporation, part 1 of the definition above is met if that bidder or vendor is controlled by a corporation that has its headquarters or main office located in the U.S.

A public sector entity can rely on a business' representation that it does not meet the definition of a U.S. business.

See the implementation section for where to find information on how to apply this definition.

There are no exemptions to this Policy.

4.0 Implementation and Support

Government entities and BPS organizations must use the information and operational direction designed to support this Policy, available on the following sites:

- Doing business with the Government of Ontario (<https://www.ontario.ca/page/doing-business-government-ontario>) (public site)
- Supply Ontario (<https://www.supplyontario.ca/news/response-to-u-s-government-tariffs/>) for guidance (<https://www.supplyontario.ca/wp-content/uploads/US-Procurement-Restriction-Policy-Guide-March-4-2025-EN-1.pdf>) and FAQs (<https://www.supplyontario.ca/wp-content/uploads/US-Procurement-Restriction-Policy-FAQs-March-4-2025-EN-1.pdf>)
- InsideOPS — Procurement Tools and Templates page (<https://intra.ontario.ca/ops/procurement-tools-and-templates>) (Intranet site for government entities)
- Questions? Contact doingbusiness@supplyontario.ca (<mailto:doingbusiness@supplyontario.ca>)

5.0 Requirements

- Public sector entities must exclude U.S. businesses from procurements.
- Procuring from a U.S. business is allowed only when:
 - a U.S. business is the only viable source for the good/service, and
 - the procurement cannot be delayed.
- For clarity, both of these conditions must be met.
- Except where the OPS Procurement Directive requires a level of approval higher than deputy minister, a government entity must obtain deputy minister or CEO approval, as appropriate, to procure from a U.S. business, regardless of the value.
- Designated BPS organizations must require a similar level of approval.
- Public sector entities must continue to use existing Vendor of Record arrangements (VORs) or other arrangements available to public entities.

6.0 Documentation

As with any procurement, a business case must be approved and documented.

7.0 Reporting

Public sector entities must prepare and provide information and data as requested by Supply Ontario, Ministry of Public and Business Service Delivery and Procurement (MPBSDP), and/or Treasury Board Secretariat (TBS). Designated BPS organizations may receive requests for information and data from their funding ministries.

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