

March 18, 2025

Helping you navigate a shifting trade landscape

Your questions answered.

In the midst of a rapidly changing trade landscape, Canoe Procurement Group of Canada remains a steady partner for the public sector. As a Canadian not-for-profit built by the public sector, for the public sector, we understand that you may have questions about your procurement strategy. Our goal is to support and protect our members' interests by providing flexible, compliant contracts that connect you with the right products and suppliers for your needs.

Given the evolving nature of trade, we will continue to update this page with the latest information to help you navigate these changes with confidence. Below are some of the key questions we've received from members.

What is Canoe's approach to the 'Buy Canada' movement?

Canoe's procurement programs are designed to give members **choice and flexibility** while ensuring compliance with trade agreements.

We recognize that some of our members are implementing 'Buy Canada' strategies, and our programs and diverse supplier network are built to support their procurement goals, whether that means sourcing Canadian-made products, exploring alternative solutions, or balancing both approaches to meet their community's needs. We're working closely with our suppliers as they expand their Canadian product offerings, and members are encouraged to connect with them directly to find solutions that align with their needs.

By leveraging group purchasing power, we provide cost-effective, compliant options, helping you make the best decisions for your municipality.

What defines a Canadian company?

Canoe aligns its definition of a Canadian company with the criteria set forth in the *Investment Canada Act*. A Canadian company, as defined by Canoe, is a supplier, manufacturer, or distributor that meets the following conditions:

- ◆ **Place of Business:** The company maintains a physical location within Canada where it conducts its operations.
- ◆ **Employment:** The company employs or engages individuals in Canada who contribute to its business activities.
- ◆ **Assets:** The company possesses assets within Canada that are utilized in carrying out its business functions.

Does Canoe's work with non-Canadian suppliers contradict 'Buy Canada' policies?

At Canoe, our procurement approach reflects the reality of an interconnected global supply chain while prioritizing support for Canadian communities. While Canada has strong manufacturing capabilities, domestic production is limited in some sectors. To ensure our members have access to the full range of products and services they need, Canoe follows trade-compliant procurement processes that welcome competitive bids from Canadian and international suppliers alike.

Additionally, many of our non-Canadian suppliers play an essential role in Canada's procurement supply chain by operating vast distribution networks that employ thousands of Canadians in sales, repair, maintenance, logistics, and other sectors. We also continue to work with our suppliers as they expand their Canadian product offerings, providing members with more options to align with 'Buy Canada' strategies. By maintaining a diverse and competitive supplier base, Canoe enables members to source high-quality products and services while reinforcing economic growth within Canadian communities.

How will fluctuating tariffs affect pricing?

With tariffs changing frequently, suppliers continue to still assess its pricing and supply chain impacts. Members should maintain close contact with suppliers to track potential price changes and work collaboratively to address potential impacts. Canoe is actively working with suppliers to monitor the impact, address supply chain challenges, and provide alternative solutions to help members navigate potential price fluctuations effectively.

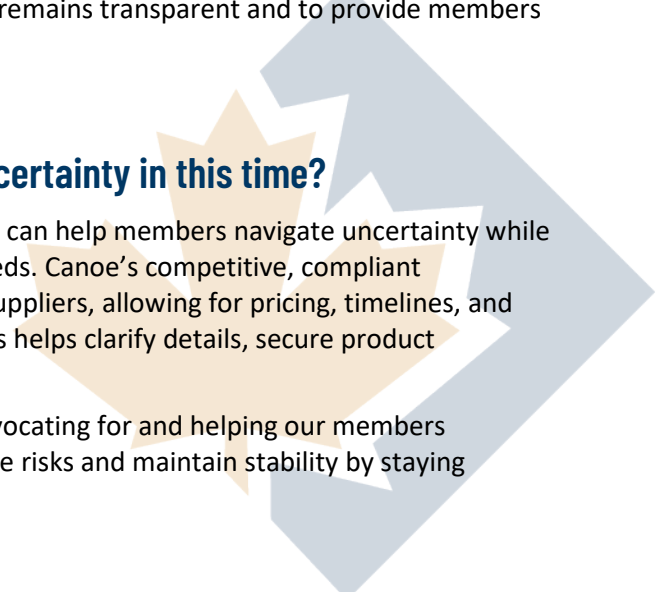
Will the ongoing changes affect orders already placed through Canoe programs?

Whether an order is affected depends on the terms and conditions of the purchase. While suppliers and members are adjusting to evolving trade conditions, the full impact of tariffs will take time to materialize, requiring ongoing collaboration between both parties to address challenges effectively. Canoe continues to work with suppliers to ensure pricing remains transparent and to provide members with the latest updates on potential changes.

How can members mitigate instability and uncertainty in this time?

Staying flexible and using strategic procurement practices can help members navigate uncertainty while maintaining their budgets and meeting organizational needs. Canoe's competitive, compliant procurement process gives members access to multiple suppliers, allowing for pricing, timelines, and service level comparisons. Engaging directly with suppliers helps clarify details, secure product availability, and mitigate potential risks.

As trade policies evolve, Canoe remains committed to advocating for and helping our members confidently navigate these changes. Members can mitigate risks and maintain stability by staying



informed, maintaining supplier communication, and leveraging strategic procurement. Our team is actively engaged with government and industry partners and will keep you informed as the situation evolves.

What can public sector organizations do to navigate 'Buy Canada' initiatives while remaining trade-compliant?

Navigating the evolving landscape of Canadian procurement requires a strategic approach that balances compliance with trade agreements and support for local economies. Here are some key strategies members can use to remain trade-compliant while considering Canadian content in their purchasing decisions:

- ◆ **Stay informed on trade agreements:** While the emphasis on buying Canadian is growing, public procurement must still align with relevant trade agreements, which currently prohibit local preference as an evaluation criterion. Understanding these rules helps ensure compliance.
- ◆ **Monitor policy updates:** While there remains uncertainty around how to define and utilize the public procurement process for Canadian content, some jurisdictions are beginning to explore potential definitions for what qualifies as 'Canadian content' in procurement. Canoe is actively working with all levels of government to push for clearer definitions of Canadian content and how public procurement can support national priorities while remaining trade-compliant. We will keep members updated on any relevant developments.
- ◆ **Engage suppliers:** Canoe's major suppliers not only operate within Canada but also invest in local economies, create jobs, and strengthen municipal growth. Engaging with suppliers helps members align purchases with their communities' economic well-being while ensuring trade compliance.

We recognize that navigating procurement challenges during these changing times can be complex, and we're here to help. To learn more, visit canoeprocurement.ca/builtforcanada.

If you have any questions or need further guidance, please reach out to the [Canoe representative for your region](#). Our team is ready to provide support, connect you with the right suppliers, and ensure you have the information you need to make informed procurement decisions.

