

Canada

Buy Canadian Policy

September 5, 2025

Overview

Released September 5, 2025, [Canada's Buy Canadian policy](#) strengthens federal procurement by prioritizing Canadian suppliers, domestic innovation, and supply-chain resilience. The policy establishes how departments must evaluate procurement decisions to better support Canadian industry while managing economic and security considerations. The approach emphasizes increased use of Canadian vendors, greater transparency in procurement processes, and reduced reliance on foreign suppliers.

Framework

The Buy Canadian policy establishes a government-wide procurement framework that defines how federal departments integrate domestic economic considerations into purchasing decisions across goods, services, and infrastructure. The framework sets common expectations for how Buy Canadian principles are applied, ensuring procurement decisions are structured, defensible, and aligned with federal economic priorities.

Framework components include:

- **Canadian Supplier Integration**
Defines how Canadian suppliers and domestic value are identified and considered within procurement strategies.
- **Procurement Governance**
Clarifies roles, responsibilities, and approval pathways to support consistent application of Buy Canadian requirements.
- **Supply-Chain**
Establishes criteria for assessing resilience, security, and national interest impacts within sourcing decisions.
- **Fairness, Transparency and Trade Alignment**
Outlines how Buy Canadian objectives are applied while maintaining open, competitive, and trade-compliant procurement processes.
- **Oversight and Accountability Mechanisms**
Sets expectations for compliance monitoring, reporting, and evaluation of policy outcomes across government.

What Does This Mean for Government?

The Buy Canadian policy changes how departments approach procurement planning and supplier evaluation by embedding domestic economic considerations earlier and more consistently in the procurement lifecycle. Departments are expected to demonstrate that sourcing decisions are deliberate, well-documented, and aligned with government wide economic and strategic priorities.

Key obligations include:

- Integrating Buy Canadian considerations into procurement planning and market analysis
- Providing clear rationale when Canadian options are not selected
- Evaluating sourcing decisions through a supply-chain and national interest lens
- Using common procurement processes to ensure consistency across departments
- Tracking outcomes to support oversight and policy effectiveness

What Does This Mean for Industry?

The Buy Canadian policy increases opportunities for Canadian companies while raising expectations around transparency, compliance, and demonstrated domestic value. Suppliers must be prepared to clearly articulate their Canadian presence, supply-chain footprint, and economic contribution when competing for federal procurement opportunities. The policy signals a more deliberate and outcome driven approach to sourcing, that favors domestic capability and resilience.

Key implications include:

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- **Greater emphasis on Canadian content and presence**, requiring suppliers to demonstrate domestic operations, workforce, production, or value-added contributions.
- **Increased documentation and disclosure requirements** related to supplier eligibility, sourcing strategies, and compliance with Buy Canadian objectives.
- **Expanded opportunities for Canadian SMEs**, particularly in procurements where domestic suppliers can meet performance, cost, and delivery requirements.
- **Heightened scrutiny of supply chains**, encouraging suppliers to strengthen transparency and risk management practices.
- **More consistent procurement processes**, such as standardized tools and evaluation criteria are applied across federal departments

Technology Specific Considerations

Under the Buy Canadian policy, federal technology procurements must assess Canadian supplier availability and domestic value when sourcing digital products and services, including software, hardware, cloud services, and IT professional services. Departments must document procurement decisions where Canadian technology options are available and apply Buy Canadian considerations in parallel with technical, cost, security, and performance requirements.

Key technology requirements include:

- Assessment of Canadian technology suppliers during procurement planning and evaluation
- Documentation of sourcing decisions demonstrating alignment with Buy Canadian objectives
- Consideration of domestic delivery and value creation within technology procurements
- Application of standardized procurement processes for technology contracts subject to Buy Canadian thresholds
- Reporting on procurement outcomes to support oversight and compliance

Timeline

Policy Elements	Key Dates	Focus & Key Provisions
Policy Release	Sept 5, 2025	Establishes a government procurement policy prioritizing Canadian suppliers and domestic production.
Procurement Planning & Governance	Late 2025	Requires departments to assess Canadian supplier availability during procurement planning and document sourcing decisions.
Strategic Procurement Thresholds	Late 2025	Applies enhanced Buy Canadian measures to major procurements valued at \$25M+ .
Canadian Content & Materials	Late 2025	Introduces minimum Canadian material requirements, including \$250,000+ in Canadian steel, aluminum, or wood where domestic supply exists.
Supply-Chain Resilience	2025-2026	Integrates economic security, supply-chain resilience, and national interest considerations into sourcing strategies for critical goods and services.
Expansion of Policy	Spring 2026	Expands Buy Canadian application to additional procurements valued at \$5M+ , increasing the number of contracts subject to domestic supplier consideration.
Implementation, Oversight, & SME Support	FY 2026	Supports implementation and oversight through \$98.2M over five years (+\$9.8M ongoing) for PSPC, \$7.7M over three years for TBS, and \$79.9M over five years to expand Canadian SME participation.