

Building Ontario Businesses Initiative – A Guide for Buyers

Developed by:

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WARNINGS and DISCLAIMER:

This document contains suggested terms which may be used in procurement documents issued by Ontario. Final terms used in any procurement document or contract may differ. As such, this document is not to be interpreted as creating any legal rights or obligations applicable to either Ontario or any of its bidders or contractors. Where such terms are at issue, they will be found exclusively in the procurement document or contract specifically governing the particular transaction.

This language is not mandatory and is provided to assist users in fulfilling their obligations under the Centralization and Building Ontario Businesses Initiative Measures in the Ontario Public Service (OPS) and the Broader Public Sector (BPS) Procurement Directives.

Users should always consult with their procurement, business, and legal advisors on proper use of this document and its contents. Users should also consider their obligations under applicable procurement directives and use the appropriate procurement process.

All users must read and understand the Building Ontario Businesses Initiative (BOBI) procurement strategies before including the information in any procurement document or legal agreement. All questions on use or application of the strategies to your particular procurement should be directed to your ministry advisors or doingbusiness@ontario.ca. In the event of an inconsistency between information in the Guide and a provision in the Directive, the provision in the Directive prevails.

1 PURPOSE

The Building Ontario Businesses Initiative (BOBI) is a transformational province-wide program developed by the government to leverage the role public sector procurement can play in economic development. BOBI creates a level playing field that reduces barriers and provides Ontario businesses with greater access to procurement opportunities. The initiative provides the support for Ontario businesses to innovate and potentially create jobs in local communities; as well as strengthen Ontario's supply chain resiliency so the province is prepared for any future emergencies. BOBI is designed to allow the province to continue doing business with its trade partners while addressing the needs of the local economy.

This Guide is intended to provide detailed instructions to buyers on how to apply the strategies under BOBI into procurement decisions and processes, as required in the Ontario Public Service (OPS) Procurement Directive and the Broader Public Sector (BPS) Procurement Directive. Both directives have been updated to enable the new strategies.

The steps in the procurement process remain unchanged while incorporating the BOBI requirements. Users should continue using existing foundational tools, guidance materials and the applicable procurement directive to navigate the overall procurement process.

2 APPLICATION AND SCOPE

The Centralization and Building Ontario Businesses Initiative Measures apply to procurements in the OPS and the BPS.

The OPS Procurement Directive applies to:

- Ministries
- Provincial agencies
- Ontario Power Generation
- Independent Electricity System Operators

The BPS Procurement Directive applies to:

- Hospitals
- School boards
- Colleges and universities
- Children's Aid Societies
- Shared services and group purchasing organizations
- Publicly funded organizations that received public funds of \$10 million or more in the previous fiscal year of the Government of Ontario.

The new measures apply to all new procurements of goods, services (consulting and non-consulting), and construction effective September 1, 2023, for OPS procurements and January 1, 2024, for BPS procurements. This includes any type of procurement, at any value.

What is out of scope?

- Acquisitions made by buyers using a second-stage selection process through Ontario's Vendor of Record arrangements.

3 KEY DEFINITIONS

"Canadian Business" means a commercial enterprise that is incorporated pursuant to the laws of Canada, and which has ongoing business activities in Canada. ((Source: Industrial and Technological Benefits (ITB) [Model Terms and Conditions \(canada.ca\)](#))

"Ontario Business" means a supplier or manufacturer that has headquarters or a main office in Ontario, and that regularly conducts its activities (i.e., produces manufactured goods, intangible goods, or services) on a permanent basis in Ontario, is clearly identified by name and is accessible during normal business hours.

Note: This "Ontario Business" definition is an interim definition and is to be used until the final definition becomes available in regulations in January 2024 under the *Building Ontario Businesses Initiative Act*.

4 THE APPROACHES AND STRATEGIES

There are two approaches, including six strategies under BOBI:

1. Approach 1: Procuring **above** trade agreement thresholds.
2. Approach 2: Procuring **below** trade agreement thresholds

Approach 1: Procuring Above Trade Agreement Thresholds

When applying the above trade agreement thresholds approach, buyers are required to use one or more of the following strategies, where feasible. For clarity, more than one of the strategies may be used together. For example, the weighted domestic criteria strategy may be used with limiting an opportunity to Ontario trading partners.

1. Where available, apply exceptions, and non-application provisions in trade agreements that can be used to give Ontario businesses preferences in procurement opportunities
2. Direct procurement opportunities to Ontario trade partners
3. Apply weighted domestic criteria to increase the possibility of tenders being awarded to Ontario businesses

Include an Industrial Regional and Technology Benefit (IRTB) requirement for procurements with an estimated value of \$50 million or more in specified sectors (a detailed guide on the IRTB is available on [Ontario Public Service Procurement Directive – InsideOPS](#)).

Procuring Below Trade Agreement Thresholds

When applying the below trade agreement thresholds approach, buyers are required to use one of the following strategies:

4. Below **domestic** trade agreement thresholds, where feasible, require Ontario Public Service (OPS) and Broader Public Sector (BPS) entities to procure goods and services from **Ontario** businesses

5. Below **international** trade agreement thresholds, where feasible, require OPS and BPS entities to procure goods and services from **Canadian** businesses

Note: Applying BOBI strategies is procurement specific and will require buyers to plan for procurements and conduct market research (e.g. determine number of vendors available, location, etc.). Other factors that may be considered are estimated procurement value, trade risks, business requirements, etc. The appropriate strategy or strategies will depend on the buyer's unique procurement.

Incorporating any of the strategies into the procurement should be done in consultation with the buyer's legal counsel and approved by the appropriate delegated authority.

It is important to note that while these strategies are new considerations for government procurements; and, while each procurement is unique, the general procurement process follows these steps:

Step 1. Procurement Planning

- Identify a need/define a problem
- Conduct market research
- Identify supply source
- Decide on procurement approach
- Obtain appropriate approval

Step 2. Procuring

- Develop procurement document
- Conduct the competition (invitational or open competitive) or direct the award to a specific vendor (non-competitive process).

Step 3. Evaluation of Responses

- Evaluate submissions

Step 4. Contract Development

- Contract award
- Debrief suppliers

Step 5. Contract Management & Close Out

5 WHEN AND HOW TO APPLY THE APPROACHES

5.1 APPROACH 1: PROCUREMENT OPPORTUNITIES ABOVE TRADE AGREEMENT THRESHOLDS

This approach requires public sector buyers to factor in social and economic development benefits while considering relevant trade obligations and associated trade risks when procuring goods and services.

When to use

- When the estimated value of the procurement is at or above the following trade agreement thresholds, an open competitive process is being conducted, and there are Ontario businesses that can provide the service or good being sought.
- When a non-competitive procurement is being considered using existing trade exceptions and non-application, award the contract to an Ontario business, where feasible.

Trade agreement thresholds are as follows:

Procurement Type	Ministries and most agencies	Provincial Agencies commercial/industrial entities	School boards, publicly funded academic, health and social services entities
Goods	\$366,800	\$651,000	\$366,800
Services	\$366,800	\$651,000	\$366,800
Construction	\$9,100,000	\$9,100,000	\$9,100,000

5.1.1 Strategy 1: Where available, apply exceptions and non-application provisions in trade agreements that can be used to give Ontario businesses preference in procurement opportunities.

When to Use

Certain allowable exceptions and non-application provisions (e.g. unforeseen situations of urgency) exist in trade agreements to which Ontario is a party. These provisions (commonly referred to as allowable exceptions) may change from time to time and the complete and most up-to-date list is found on [Ontario Public Service Procurement Directive - InsideOPS](#).

Public sector buyers should consider directing opportunities to Ontario or Canadian vendors by applying these provisions, where feasible. It is important to seek legal and trade advice when considering the use of trade flexibilities, and to obtain appropriate approvals. Bear in mind that this is not a new practice or requirement for doing procurements.

5.1.2 Strategy 2: Direct procurement opportunities to Ontario trade partners

When to use

For all open-competitive procurements with values at or above international trade agreement thresholds (refer to table above in section 5.1), public sector buyers are required to include as a mandatory requirement that the business is from a jurisdiction with which Ontario has trade obligations (refer to Appendix C).

Application to the procurement process

Step 1. Procurement Planning

- Conduct market research.
- Seek appropriate approvals.

Step 2. Procuring

- Draft your procurement request document and include language limiting eligibility to an Ontario trading partner as a mandatory requirement. For example: Are you from a jurisdiction that has trade obligations with Ontario and/or Canada? If yes, please identify which trade agreement(s).
- Post tender on your organization's electronic tendering portal.

Step 3. Evaluation of Responses

- Ensure that the submission(s) includes an attestation from the business stating it is in a jurisdiction of an Ontario trading partner (refer to Appendix C) or include a mandatory eligibility requirement. Where a vendor fails to meet the mandatory eligibility requirement as identified in the procurement document, no further evaluation of that vendor's submission may take place.
- Evaluation of rated criteria.

Step 4. Contract Development

- Contract award.

- Debrief suppliers.

Step 5. Contract Management and Close Out

- No change in the process.

5.1.3 Strategy 3: Apply weighted domestic criteria to increase the possibility of tenders being awarded to Ontario businesses

When to use

The intent of applying weighted domestic criteria in the evaluation process is to level the playing field for Ontario businesses. Consideration is given to factors such as social and ethical responsibilities (e.g., environmental, labour, safety and equity standards), which might not be in place in other jurisdictions.

Public sector buyers must carry out due diligence by conducting appropriate market research to determine whether an Ontario business exists. This may include but is not limited to conducting a request for information (RFI) to determine which vendors are within the relevant market.

The weighted domestic criteria fit within a typical evaluation process and would be included as part of the evaluation of rated criteria. While there are variations of the evaluation process, an example of a typical three-stage evaluation process is:

- Stage 1. Evaluation of the Mandatory Requirements which are pass/fail oriented.
- Stage 2. Evaluation of the Rated Criteria including Weighted Domestic Criteria.
- Stage 3. Evaluation of Pricing.

Examples of Weighted Domestic Criteria:

The table below provides some examples of weighted domestic criteria. Note that this is not an exhaustive list and buyers may identify other criteria that suit their procurements.

Domestic Criteria	Description
Supply Chain Security	Supply chain security, where delay in the provision of goods and/or services would impact the government or Ontarians adversely
Business Responsiveness	Proposed response time, turn-around and/or in-person resolution at the site
Local Knowledge	Knowledge and experience in Ontario with impacted stakeholders; development of Ontario based knowledge and expertise
Local Materials/Content	Use of local materials for goods/content; potential job creation; small business development; community revitalization
Landed Emissions	Environmental impact associated with the transportation/provision of goods or services, e.g., CO ₂ emissions
Environmental and Sustainability	Ability to demonstrate that they meet or exceed Ontario environmental laws where goods or services are produced
Labour	Ability to demonstrate that they meet or exceed Ontario labour laws where goods or services are produced
Local Benefit	Capital investment; use of local supply chain (including SME suppliers); skills development and training programs; innovation through research & development; Ontario-based export potential; potential to benefit small town, rural, businesses
Intellectual Property	Creation of intellectual property in Ontario, use/commercialization of Ontario intellectual property, or innovation and technology adoption

See Appendix A and Appendix B for further details on the weighted domestic criteria and for examples on how and when to apply each weighted domestic criterion.

Application to the procurement process

Step 1. Procurement Planning

- Conduct market research and identify if there are Ontario businesses (as defined in Section 3) that are qualified to provide the goods or services being sought.
- Determine which weighted domestic criteria are appropriate for your procurement.
 - ❖ Select the weighted domestic criteria relevant to the procurement based on:
 - market analysis,
 - identified risk(s)
 - significance of the impact that the domestic criterion would have on the business requirements.
 - ❖ Consult with public sector buyer's legal counsel for risk assessment and mitigation strategy.
- Seek appropriate approvals.

Step 2. Procuring

- Draft your procurement request document (e.g., Request for Bids), including the appropriate weighted domestic criteria within the technical stage of the evaluation process.
 - ❖ Cumulative weight of the domestic criteria must be from 25% to 45% of the total evaluation score.
- Post tender on your organization's electronic tendering portal.

Step 3. Evaluation of Responses

- Evaluate per the procurement document.

Step 4. Contract Development

- Contract award

- Debrief suppliers

Step 5. Contract Management and Close Out

- No change in the process.

5.1.4 Strategy 4: Include an IRTB requirement for procurements with an estimated value of \$50 million or more in specified sectors

The Industrial Regional and Technology Benefit (IRTB) strategy is designed to increase the local economic benefits gained from large procurements made by Ontario's public sector.

Note: Please refer to the IRTB Guide available on [Ontario Public Service Procurement Directive - InsideOPS](#) for details on Strategy 4.

5.2 APPROACH 2: PROCUREMENT OPPORTUNITIES BELOW TRADE AGREEMENT THRESHOLDS

This approach requires public sector buyers to factor in procurement opportunities with an estimated value below domestic trade agreement and international trade agreement thresholds provide an opportunity to support small and medium-sized Ontario and Canadian businesses.

When to use

Procurements below Ontario's domestic trade agreement thresholds are not covered under current trade obligations; therefore, this approach requires buyers to direct procurement opportunities to Ontario and Canadian businesses, where feasible. Goods and services should be procured as follows:

- Below domestic trade agreement thresholds: procure from Ontario businesses; and

- Below international trade agreement thresholds and above domestic trade agreement thresholds: procure from Ontario or Canadian businesses.

5.2.1 Strategy 5: Below domestic trade agreement thresholds - Require Ontario Public Service (OPS) and Broader Public Sector (BPS) entities to procure goods and services from Ontario businesses

When to Use

When the value of the procurement is below domestic trade agreement thresholds, various procurement methods can be used.

Trade agreement thresholds are as follows:

Procurement Type	Ministries and most agencies	Provincial Agencies commercial / industrial entities	School boards, publicly funded academic, health and social services entities
Goods	\$30,300	\$605,600	\$121,200
Services	\$121,200	\$605,600	\$121,200
Construction	\$121,200	\$6,056,100	\$302,900

Preference to Ontario businesses may be conducted in the following ways:

- Invite only Ontario businesses (as defined in Section 3) to submit a bid, where feasible.
- Give Ontario bidders a point advantage. Buyers determine the point advantage given to Ontario vendors. For example,
 - 10 points are added to the cumulative score of all Ontario bidders, when non-Ontario bidders are invited to submit a bid. Award the procurement to the bidder with the highest overall cumulative score.

Application to the procurement process

Step 1. Procurement Planning

- Conduct market research and identify if there are Ontario businesses (as defined in Section 3) that are qualified to provide the goods or services being sought.
 - ❖ To assist, public sector buyers can refer to available databases of Ontario businesses such as, but not exclusive to:
 - Ontario Chamber of Commerce
 - Canada's Indigenous Business Directory
 - ❖ These databases are not a comprehensive and exhaustive list of Ontario businesses but are starting points for aiding buyers in conducting market research.
- Seek appropriate approvals.

Step 2. Procuring

- Draft your procurement document (e.g., Request for Bids) and include language that informs bidders about the point advantage attributed to all Ontario vendors if you are inviting any non-Ontario businesses to bid.
- Send out the invitations per requirements in the procurement directives.

Note: Be sure to include language that explains the point advantage designed to level the playing field for Ontario businesses.

Step 3. Evaluation of Responses

- Confirm vendors have submitted an attestation confirming they are an Ontario business (as defined in Section 3) or meet the mandatory eligibility requirement.
- Add point advantage to the cumulative scores of all bids submitted by all Ontario businesses when there are bids submitted by out-of-province vendors.

Step 4. Contract Development

- Contract award
- Debrief suppliers

Step 5. Contract Management & Close Out

- No change in the current process.

Additional Consideration

If appropriate approval is received for a non-competitive process, the contract must be awarded to an Ontario business, where feasible.

Putting it into Action**Scenario 1**

Three businesses are invited to submit a bid for the provision of goods. Since an out-of-province vendor was invited to submit a bid, a 10-point advantage, as determined by the buyer is added to the cumulative scores of all bids submitted by Ontario businesses. As a result, Vendor A has the highest overall cumulative score and is awarded the contract.

Name of Vendor	Meets Interim Definition of “Ontario Business”	Cumulative Score	Overall Cumulative Score After Applying the Point Advantage to “Ontario Businesses”
Vendor A: Midland, Ontario	YES	87 out of 100	97 out of 100
Vendor B: Out-of-province	NO	91 out of 100	Remains the same
Vendor C: Toronto, Ontario	YES	75 out of 100	85 out of 100

5.2.2 Below international trade agreement thresholds – Require OPS and BPS entities to procure goods and services from Canadian businesses

When to Use

Where the value of the procurement is below international trade agreement thresholds, and an open competitive procurement process is used.

International trade agreement thresholds are as follows:

Procurement Type	Ministries and most agencies	Provincial Agencies commercial / industrial entities	School boards, publicly funded academic, health and social services entities
Goods	\$366,800	\$651,000	\$366,800
Services	\$366,800	\$651,000	\$366,800
Construction	\$9,100,000	\$9,100,000	\$9,100,000

Application to the procurement process

Step 1. Procurement Planning

- Conduct market research and identify if there are Canadian and Ontario businesses that qualify to provide the goods or services being sought.
- Seek appropriate approvals.

Step 2. Procuring

- Draft your procurement document (e.g., Request for Bids) and if required, include language that informs bidders about the point advantage attributed to all Canadian vendors.
- Post tender on your organization's electronic tendering portal.

Step 3. Evaluation of Responses

- If limiting to Canadian businesses, ensure vendors have submitted an attestation confirming they are a Canadian business or meet the mandatory eligibility requirement; and disqualify all vendors who do not meet the requirements.
- Apply the point advantage, if applicable.

Step 4. Contract Development

- Contract award
- Debrief suppliers

Step 5. Contract Management & Close Out

- No change in the current process.

6 APPENDICES

6.1 APPENDIX A: WEIGHTED DOMESTIC CRITERIA

The Inclusion of any weighted domestic criteria is procurement specific and should reflect knowledge of the marketplace, key vendors, and availability of vendors to support your procurement requirements:

- When to use domestic criteria (e.g., did your market research identify that there are Ontario businesses that can provide the service/good that you are trying to acquire?).
- Which domestic criteria would be appropriate (e.g., is the market environment similar across jurisdictions or do Ontario suppliers have regulations that need to be met that other jurisdiction do not have?); and
- Weighting of the selected domestic criteria (e.g., understanding of the competitive nature of the market. Are you able to get the supplier that you need to provide your requirements? Is it a price driven market; is it the complexity of the procurement?)

Public sector buyers must consult with appropriate advisors such as, business, policy and legal advisors, and MEDJCT (Ministry of Economic Development, Job Creation and Trade) advisors for risks related to evaluation criteria and obtain appropriate approvals. It is also important to ensure that sufficient research has been conducted to identify the appropriate weighted domestic criteria, and relevant subject matter experts (e.g., environmental standards or labour laws) have been consulted. See the examples below which are not exhaustive lists.

6.1.1 Supply Chain Security

When to Use

Include in procurements where a delay in the provision of goods or services might adversely impact the government or Ontarians.

The following are examples of sample questions that can be included in a procurement document and how the responses can be assessed.

Sample Questions	What to Assess?
<ul style="list-style-type: none"> a) Are you able to deliver the required goods/services per the critical delivery schedule and location specified in the RFB? Yes/No b) Provide details on how you plan to deliver the required goods/services per the critical delivery schedule and location specified in the RFB? c) In an emergency, can you ensure an uninterrupted supply of the required goods? d) Does your organization have business continuity and disaster recovery plans in place to maintain or quickly resume any delivery of goods or services you provide to us? e) Are there processes in place to ensure business continuity management arrangements are tested and reviewed? 	<ul style="list-style-type: none"> a) Vendors can provide the required goods/services in a timely manner. b) Vendor's delivery plan, logistics and method to ensure timely delivery of the required good/services. c) Vendor's logistic/warehousing capability plan to provide uninterrupted supply of the required goods in an emergency. d) Vendor has a business continuity plan in place which would ensure uninterrupted supply of goods or services. e) Vendor's business continuity plans have been tested and proven to work.

6.1.2 Business Responsiveness

When to Use

Include in procurements where the suppliers of goods and services are required to respond within a specific response time, turn-around and/or in-person resolution at the site.

The following are examples of sample questions that can be included in a procurement document and how the responses can be assessed.

Sample Questions	What to Assess?
<ul style="list-style-type: none"> a) Describe how your organization can ensure on-time delivery. b) Describe how your organization will be responsive and on-site as per the schedule outlined in the RFB. c) Describe how your organization will provide on-site services to resolve technical breakdown issues within XX hours of receiving communication from the ministry. 	<ul style="list-style-type: none"> a) Vendor's logistics capability to deliver as per the requirement of the RFB. b) Vendor's capability to deploy resources to provide on-site issues resolution. c) Does the vendor have an existing conflict resolution or escalation process in place?

6.1.3 Local Knowledge

When to Use

Include in procurement where a vendor's Ontario specific knowledge and/or experience is relevant to elements and the successful delivery of the project. This includes the vendor's understanding of the local landscape including such matters as policy, regulations, legislation and/ or stakeholder relations that can impact the provision of services and effective completion of a project.

For example, when constructing a building a vendor would have to be able to demonstrate an understanding of permits requirements, utilities, building codes, health and safety requirements, and skilled trades all of which are critical for effective delivery of the project.

The following are examples of sample questions that can be included in a procurement document and how the responses can be assessed.

Sample Questions	What to Assess?
a) Describe your experience with the climatic and environmental requirements in Ontario/Canada.	a) Vendor's knowledge of Ontario's environmental laws and requirements.
b) What regulatory, bylaw and licensing requirements will impact this project?	b) Vendor's understanding of Ontario's laws required in the delivery of a procurement.
c) Describe your organization's labour codes, workers compensation and safety regulations.	c) Vendor has demonstrated that its labour codes, workers compensation and safety regulations meet Ontario's standards
d) Describe the building codes and any applicable local codes impacted by the requirement in this procurement.	d) Vendor's understanding of Ontario's building codes.
e) Provide proof of Ontario professional licensing requirements or equivalent	e) Vendor has the required certification or license to provide the required services.

6.1.4 Environmental and Sustainability

When to Use

Include if goods and services are impacted by existing Ontario or Canadian environmental considerations. Vendors would need to demonstrate how they meet or exceed Ontario's environmental laws where the good or service is produced.

The following are examples of sample questions that can be included in a procurement document and how the responses can be assessed.

Sample Questions	What to Assess?
a) Provide your organization's written environmental policy?	a) Vendors have an environmental policy in place.
b) Provide evidence of compliance to Ontario's environmental requirements. (e.g., recycling, waste management, etc.)	b) Vendor complies with Ontario's environmental requirements.
c) Provide a third-party report on your environmental performance.	c) Vendor is compliant with existing Ontario environmental requirements (e.g., Disposal of hazardous materials).
d) Does the company have ISO 14001 certification (the international standard that specifies requirements for an effective environmental management system) or equivalent?	d) Vendor has a certified environmental management system like ISO 14001 or another recognized certification.
e) Is your product made from renewable resources?	e) Vendor's products are produced using sustainable/renewable resources.
f) Describe your organization's waste management policy?	f) Vendor's waste management policy meets Ontario/Canada's waste policy requirements.

6.1.5 Local Material/Content

When to Use

Include in procurements of goods and services which may require that vendors use local materials from Ontario or within Canada for goods and/or resources, which may in turn contribute to potential job creation, small business development, and community revitalization.

The following are examples of sample questions that can be included in a procurement document and how the responses can be assessed.

Sample Questions	What to Assess?
<ul style="list-style-type: none"> a) Does your organization have a program that benefits local Ontario communities? If so, please describe how your organization benefits local Ontario communities? b) Does your organization have a defined yearly target allocated exclusively to benefit a sector or sectors in your local Ontario community? If so, what is your annual target? c) Identify the name or names of the organization/s in your local Ontario community that have benefited from your organization's local community program/s and describe how these local community organizations benefit from your program. d) Does your organization have an apprenticeship program that benefits an Ontario learning institution? 	<ul style="list-style-type: none"> a) Vendor has an existing program/policy that benefits the local community. b) Vendor has a yearly financial commitment which supports the local economy which may include monetary value/target, volunteer hours, other in-kind resources and supports (e.g., internship, apprenticeship, etc.). c) Vendor has an existing partnership with local schools and universities. d) Company apprenticeship program and/or agreement can be viewed.

6.1.6 Landed Emissions

When to Use

Include in procurements of goods and services which may directly/indirectly impact landed emission, fossil fuels and other sources of greenhouse gases through a vendor's choice of transportation/provision of goods or services, e.g., CO2 emissions.

The following are examples of sample questions that can be included in a procurement document and how the responses can be assessed.

Sample Questions	What to Assess?
<ul style="list-style-type: none"> a) Can you provide a copy of your organization's environmental policies? b) What distance will be travelled to transport the required goods and services to the location(s) where they are needed? c) What transportation method will be used (i.e., rail, road, sea, air). What is the offset of any CO2 emissions (if required)? Are there other ways in which to self-identify a capacity for minimizing CO2 emissions in delivery of goods and services? 	<ul style="list-style-type: none"> a) Vendor's commitment to the environment, as evidenced by its existing environmental policies. b) The distance that the vendor would need to travel to fulfill delivery of the required goods and/or services. c) CO2 emissions resulting from delivery, based on examples of orders (e.g., volume, location).

6.1.7 Labour

When to Use

Include in procurements where elements such as wages, benefits and working conditions will significantly impact the cost of doing business. This criterion requires that vendors demonstrate that they meet or exceed Ontario labour laws where the good or service is produced.

The following are examples of sample questions that can be included in a procurement document and how the responses can be assessed.

Sample Questions	What to Assess?
<p>a) Does the bidder meet or exceed the following criteria established under Ontario's Employment Standards Act with regard to?</p> <ul style="list-style-type: none"> • Hours of work, eating periods and rest periods • Payment of wages • Overtime pays • Minimum wage, etc. 	<p>a) Vendor meets or exceeds the requirements established under <i>Ontario's Employment Standards Act</i>.</p>

6.1.8 Local Benefit

When to Use

Include in procurements where there is an opportunity to support Ontario based sub-contractors, training programs or support research & development, potential to benefit small town and or rural businesses. The purpose of the criterion is to evaluate the benefits that any vendor would bring to the local area.

The following are examples of sample questions that can be included in a procurement document and how the responses can be assessed.

Sample Questions	What to Assess?
<ul style="list-style-type: none"> a) Describe how and when the vendor will use the local workforce, local vendors, local manufacturers, local contractors, and local apprentices/trainees to achieve the project goals or produce the requested goods. b) What is the value of the budget to be allocated to local subcontractors? c) Describe the number of local apprenticeships, internships and traineeships supported by vendor. d) Describe your organization's diversity programs. 	<ul style="list-style-type: none"> a) Vendor's use of locally produced commodities. b) Vendor's use of local resources to provide the required services. c) Vendor's apprenticeship programs which benefit local schools and training centres. d) Vendor's commitment to supporting diversity by way of policy and programs.

6.1.9 Intellectual Property

When to Use

Include in procurements where there is an opportunity to build capacity for Ontario businesses through the development of new and innovative solutions, unique, or specialized products with strong innovation potential that could be harnessed through greater investment in research and development.

The following are examples of sample questions that can be included in a procurement document and how the responses can be assessed.

Sample Questions	What to Assess?
<ul style="list-style-type: none"> a) Explain how you understand the requirement/challenge and provide your proposed innovative solution. b) Explain how your organization will involve an Ontario learning institution with the research and development related to your proposed solution. c) Has your company marketed and sold solutions developed in partnership with Ontario learning institutions? If so, how many proprietary products have you developed? 	<ul style="list-style-type: none"> a) The number of proprietary products that had been developed by the vendor in partnership with an Ontario learning institution. b) The vendors R&D activities benefit a local learning institution. c) Proof of solutions developed by the vendor in partnership with an Ontario learning institution.

6.2 APPENDIX B: EXAMPLE OF APPLYING WEIGHTED DOMESTIC CRITERIA IN THE PROCUREMENT PROCESS

Current		Proposed	
Criteria	Weighting	Criteria	Weighting
Experience	25%	Experience	15%
AODA Compliance	5%	AODA Compliance	5%
Knowledge	15%	Knowledge	15%
Project Approach	15%	Project Approach	10%
Customer Service	10%	Customer Service	10%
		Environmental and Sustainability	10%
		Business Responsiveness	5%
		Local Benefits	10%
Pricing	30%	Pricing	20%

New weighted domestic criteria included in the rated criteria

6.3 APPENDIX C: LIST OF TRADE AGREEMENTS WITH LIST OF MEMBER COUNTRIES

1. Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)

On December 30, 2018, the CPTPP entered into force among the first six countries to ratify the agreement – Canada, Australia, Japan, Mexico, New Zealand, and Singapore. On January 14, 2019, the CPTPP entered into force for Vietnam and the CPTPP entered into force for Peru on September 19, 2021. Malaysia ratified September 30, 2022, becoming the ninth out of eleven countries to ratify the agreement.

There are eleven member countries; eight countries have ratified the agreement; three countries have yet to ratify.

Parties That Have Ratified	Parties That Have Not Yet Ratified
1. Australia	1. Brunei
2. Canada	2. Chile
3. Japan	
4. Mexico	
5. New Zealand	
6. Peru	
7. Singapore	
8. Vietnam	
9. Malaysia	

2. World Trade Organization Government Procurement Agreement (WTO-GPA)

The World Trade Organization Agreement on Government Procurement (GPA) consists of 21 parties covering 48 WTO members (counting the European Union and its 27-member states, all of which are covered by the Agreement, as one party).

Parties:

1. Armenia
2. Australia
3. Canada
4. European Union (and its 27 member states): Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Spain, Slovak Republic and Slovenia and Sweden
5. Hong Kong, China
6. Iceland
7. Israel
8. Japan
9. Korea, Republic of
10. Liechtenstein
11. Moldova, Republic of
12. Montenegro
13. Netherlands with respect to Aruba
14. New Zealand
15. Norway
16. Singapore
17. Switzerland
18. Chinese Taipei
19. Ukraine
20. United Kingdom
21. United States

3. Canada-European Union Comprehensive Economic and Trade Agreement (CETA)

This agreement between Canada and the European Union was signed on October 30, 2016 and was provisionally applied on September 21, 2017. Provisional application means that most of the provisions, including government procurement, is treated as in force.

1. Austria
2. Belgium
3. Bulgaria
4. Croatia
5. Republic of Cyprus
6. Czech Republic
7. Denmark
8. Estonia
9. Finland
10. France
11. Germany
12. Greece
13. Hungary
14. Ireland
15. Italy
16. Latvia
17. Lithuania
18. Luxembourg
19. Malta
20. Netherlands
21. Poland
22. Portugal
23. Romania
24. Slovakia
25. Slovenia
26. Spain
27. Sweden

4. Canada-United Kingdom Trade Continuity Agreement (CUKTCA)

As of January 1, 2021, the UK fully left the EU, and CETA (including government procurement commitments) ceased to apply between Canada and the UK.

The CUKTCA entered into force on April 1, 2021. It maintains Canada's competitive advantage to the UK market and largely replicates the Canada-EU Comprehensive Economic and Trade Agreement (CETA), including the government procurement commitments between Canada and the UK (which also includes sub-federal entities).

On March 24, 2022, Canada and the United Kingdom launched negotiations toward a Free Trade Agreement (FTA). The United Kingdom (UK) is Canada's third-largest partner country for trade in goods and services.

Sources:

1. CPTPP
 - <https://www.international.gc.ca/trade-commerce/trade-agreements-accords-commerciaux/agr-acc/cptpp-ptpgp/index.aspx?lang=eng>
2. WTO-GPA
 - https://www.wto.org/english/tratop_e/gproc_e/memobs_e.htm
3. CETA
 - <https://www.international.gc.ca/trade-commerce/trade-agreements-accords-commerciaux/agr-acc/ceta-aecg/index.aspx?lang=eng>
4. CUKTCA
 - <https://www.international.gc.ca/trade-commerce/trade-agreements-accords-commerciaux/agr-acc/cuktca-accru/trade-continuity-agreement.aspx?lang=eng>