

WHAT'S NEW

Procurement Restriction Policy (US Businesses): A Guide for Public Sector Buyers (AMENDED) – Effective November 20, 2025.

Area of Change	Procurement Restriction Policy: A Guide for Public Sector Buyers Version date: June 23, 2025	Procurement Restriction Policy: A Guide for Public Sector Buyers Version date: November 20, 2025	Summary of Change
Version Date (page 1)	June 23, 2025	November 20, 2025	Version date updated.
Hierarchical Numbering implemented (page 1- 29)	1-7	1 – 7.2.3	Numbered subheadings have been introduced to simplify referencing and improve document navigation.
Effective Date (page 3)	The Policy is effective on March 4, 2025, for both Government Entities and BPS organizations.	Updated Policy is effective on November 20, 2025, for both government entities and designated	Effective date wording updated.

		Broader Public Sector (BPS) organizations.	
3.2 Scope (Page 4)	The Procurement Restriction Policy applies to: <ul style="list-style-type: none"> • All new procurements of goods and/or services (consulting and non-consulting services) at any value posted from the day the Policy comes into effect. 	The Policy applies to: <ul style="list-style-type: none"> • All new procurements of goods and/or services (consulting and non-consulting services) at any value posted from the day the Policy, as updated November 20, 2025, comes into effect. 	Revised Language
Footnote 1 (page 4)	1 For the purpose of the Policy, a new procurement means it has not yet been posted (e.g., on an electronic tendering system), or has not yet been issued to vendors to submit a response.	For the purpose of the Policy, a new procurement means a procurement opportunity that has not yet been posted (e.g., on an electronic tendering system), or has not yet been issued to vendors to submit a response. Procurements posted or issued prior to November 20, 2025, are subject to the previous Policy requirements as dated March 4, 2025.	Revised Language.

Scope (page 5)	The Policy does not apply: <ul style="list-style-type: none"> To any procurement already in progress at the time that the Policy is effective, (i.e., a procurement document has already been issued). 	The Policy does not apply: <ul style="list-style-type: none"> To any procurement that was already in progress as of the effective date of the updated Policy, as amended November 20, 2025 (i.e., a procurement document has been issued prior to November 20, 2025). 	Revised.
Footnote 2 (page 5)	2 The Policy does apply to contract term extensions beyond the original agreement, as they are considered new non-competitive procurements.	If the term of the existing signed contract includes optional extension terms, exercising those extension options is not considered a new procurement. However, if the contract doesn't include such extension terms, any extension is considered to be a new non-competitive procurement and the Policy applies	Revised.

Exceptions to the Requirement to Exclude U.S. Businesses (page 5-6)	<p>The Policy sets out when procuring from a U.S. business is allowed -with following conditions are met:</p> <ul style="list-style-type: none"> the U.S. business is the only viable source for the good/service; and the procurement cannot be delayed (e.g. risks to public health and safety, etc.). 	<p>Public sector entities must exclude U.S. businesses from participating in the procurement process. However, a public sector entity may allow participation by a U.S. business any one of the following circumstances apply:</p> <ul style="list-style-type: none"> the U.S. business is the only viable source for the good and/or service and the procurement cannot be delayed (e.g. risks to public health and safety, etc.) 	Revised Language.
Supporting Documentations (page 6)	<p>The justification for procuring from a U.S. business must be clearly outlined in the organization's business case or procurement approval document and submitted through the organization's standard approval process. This justification should explain why a U.S. business is the only viable option and why the procurement cannot be delayed. It should also include details of any due diligence, market research, risk</p>	<p>Public sector entities must provide a clear rationale in their business case or procurement approval document for allowing U.S. businesses to participate in a procurement. This rationale must align with one of the exceptions set out in the Policy (see section 3.2.1 of this guide) and be appropriately approved (see section 3.2.1 on approvals below). The explanation should describe the circumstance that justify the inclusion.</p>	Revised language for clarity,

	assessment, consultation or compliance checks conducted to support the decision.	<p>The business case or procurement approval document should also include details of any due diligence, market research, risk assessment, consultation or compliance checks conducted to support the decision.</p> <p>Public sector entities may consult with Supply Ontario for strategic procurement advice, including support in determining the potential applicability of exceptions to the requirement to exclude U.S. businesses. To consult with Supply Ontario, submit a Procurement Rationale Report Form (PRRF).</p>	
Heading (page 6)	Approval Requirements for Procuring from a U.S. Business	3.2.1.2 Approval Requirements to allow U.S. Businesses to participate in the procurement	Heading title revised.

Footnote 3 (page 6)	3 Seeking approval to procure with a U.S. business is not a separate process from seeking procurement approval.	3 For the purpose of the Policy, when a procurement includes both goods and services, it should be treated as a services procurement if the value of the services component accounts for more than fifty percent of the total estimated value.	Revised.
Footnote 4 (NEW) (page 6)		4 Seeking approval to allow a U.S. business to participate in a procurement is not a separate process from seeking procurement approval.	Added a new footnote.
Designated BPS Organizations (page 7)	If a government entity or designated BPS organization is proposing to procure from a US business, the information required (as set out in the Policy) should be included in the business case for the appropriate approver.	If a government entity or a designated BPS organization is proposing to allow U.S. businesses to participate in the procurement, the information required (as set out in the Policy) should be included in the business case for the appropriate approver. Entities may wish to review and update their internal procedures to streamline	Revised language.

		<p>approvals. For example, grouping procurement approvals by type of good/service could be used for multiple low-risk procurements, as long as each case meets the criteria set out in the Policy and is documented. This type of approach can streamline administration while maintaining the oversight required when procuring from a U.S. business.</p>	
<p>How to determine if procurement from a U.S. business would be allowable (page 8)</p>	<p>How to determine if procurement from a U.S. business would be allowable:</p> <ul style="list-style-type: none"> • Both of the following conditions must be met and each situation must be assessed on its own merits, on a case-by-case basis • The U.S. business is the only viable source 	<p>ALLOWED CIRCUMSTANCES: ONLY VIABLE SOURCE AND THE PROCUREMENT CANNOT BE DELAYED:</p> <ul style="list-style-type: none"> • Each situation should be assessed on a case-by-case basis, considering when and why the procurement is required. • For the purpose of the Policy, the term 'only viable source' is intended to mean that obtaining 	<p>Revised.</p>

	<ul style="list-style-type: none"> • The procurement cannot be delayed • For the purpose of the Policy, the term 'only viable source' is intended to mean that obtaining the necessary goods or services from any other source is not feasible. This could be due to various factors, such as: • The supplier has unique skills or technology that no other supplier possesses. • The supplier holds exclusive rights or patents, making them the sole provider. • The supplier is the only one available in a specific area or at the time of the procurement. • Laws or regulations strictly require using that specific supplier. • Confidentiality obligations. 	<p>the necessary goods or services from any other source is not feasible. This could be due to various factors, such as:</p> <ul style="list-style-type: none"> • The supplier has unique skills or technology that no other supplier possesses. • The supplier holds exclusive rights or patents, making them the sole provider. • The supplier is the only one available in a specific geographic area or at the time of the procurement. • Confidentiality obligations. • Health and safety considerations, including organizational capacity concerns. • Lack of sufficient non-U.S. business viable suppliers in situations where multiple suppliers are required. • Where a product or service has demonstrated superior outcomes 	
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	<ul style="list-style-type: none"> • Health and safety considerations, including organizational capacity concerns. • Lack of sufficient viable suppliers in cases where multiple suppliers are required. • Where a product or service has demonstrated superior outcomes in terms of health, safety, or quality of life. • When deciding if a 'procurement cannot be delayed,' public sector buyers should consider the following: <ul style="list-style-type: none"> • Is the procurement needed to ensure service continuity or deliver key programs? • Are there health or safety concerns that this procurement addresses? • Is this good/service needed immediately? 	<p>in terms of health, safety, or quality of life.</p> <ul style="list-style-type: none"> • When deciding if a 'procurement cannot be delayed,' public sector buyers should consider the following: <ul style="list-style-type: none"> • Is the procurement needed to ensure service continuity or deliver key programs? • Are there health or safety concerns that this procurement addresses? • Is this good/service needed immediately? 	
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<p>Note (page 8)</p>	<p>Note:</p> <ul style="list-style-type: none"> The situations listed above are not exhaustive; other scenarios may also justify procuring from a U.S. business. 	<p>Note:</p> <ul style="list-style-type: none"> The situations listed above are not exhaustive; other scenarios may also justify procuring from a U.S. business. As subject matter experts in the goods or services they are procuring, buyers are best positioned to determine what is considered “viable” based on the specific market conditions and business needs. 	<p>Revised Note.</p>
<p>Allowed Circumstance: 90% Canadian Staffing Requirement (page 8-9)</p>		<p>Allowed Circumstance: 90% Canadian Staffing Requirement</p> <ul style="list-style-type: none"> This applies to service procurements. If a procurement includes both goods and services, it should be treated as a service procurement when the estimated value of the services component represents the majority of the total value. 	<p>New Section.</p>

		<ul style="list-style-type: none"> • A U.S. business may be considered eligible to submit a bid only if it commits to having at least 90% of the staff required to deliver the contracted services located in Canada. If the U.S. business is successful, public sector entities should consider ensuring that this commitment is maintained throughout the delivery of the contracted services. • The decision to leverage this option should be based on public sector entities' informed understanding of the market. Public sector entity buyers must assess whether this exception is appropriate given the nature of the services and available suppliers. <p>Recommended components for applying the exception:</p> <p>➤ Eligibility Requirement</p>	
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		<ul style="list-style-type: none"> ○ Require bidders to attest that at least 90% of their staffing is located in Canada and that level will be maintained for the duration of the contract. ➤ Supporting Documentation <ul style="list-style-type: none"> ○ To support the attestation bidders may wish to require bidders to include in their bid a list of the proposed staff that will make up the required 90%. The list could include: <ul style="list-style-type: none"> ▪ The total number of staff assigned to deliver the services under the contract. ▪ Each role or job title involved in delivering the contracted services 	
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		<p>and where each is located.</p> <ul style="list-style-type: none"> ○ Buyer should review the bidder's submission to ensure that the list of positions and locations is provided and satisfies the 90% requirement. This commitment is for contract compliance only and will not be evaluated as part of the bid assessment. However, if requested failure to provide the staff list will render their bid non-compliant and may result in disqualification. ➤ Contractual Language <ul style="list-style-type: none"> ○ Embed explicit language in the contract stating that the vendor must maintain 90% Canadian-based 	
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		<p>staffing throughout the contract term.</p> <ul style="list-style-type: none"> ○ Any changes to staffing that affect this ratio require prior written approval from the buyer. 	
<p>Impacts to the Procurement Process Overview (page 10)</p>	<p>Overview</p> <p>The Procurement Restriction Policy applies to all new procurements posted from the day the Policy comes into effect at any value and includes invitational, open competitive and non-competitive procurements. A public sector entity and a designated BPS organization are restricted from procuring goods and services from U.S. businesses.</p>	<p>5.1 Overview</p> <p>The Policy applies to all new procurements posted on or after the day the Policy comes into effect. This includes procurements of any value and includes invitational, open competitive and non-competitive procurements. The Policy restricts government entities and designated BPS organizations from procuring goods and services from U.S. businesses.</p>	<p>Revised</p>

<p>5 Invitational How to Apply the Restriction (page 11)</p>	<p>How to Apply the Restriction</p> <ul style="list-style-type: none"> • When conducting an invitational competitive procurement, buyers must not include businesses that meet the definition of a U.S. business. Where feasible, buyers should ensure that these vendors are excluded before issuing an invitation to any vendor. • Procurement documents can include a requirement for each bidder to declare whether they are a U.S. business when submitting a bid. Note: A public sector entity may rely on a business's representation that it is not a "U.S. business". • Additionally, to support the restriction of U.S. businesses participating in Ontario's procurement opportunities, at the 	<p>5.2.1 How to Apply the Restriction</p> <ul style="list-style-type: none"> • When conducting an invitational competitive procurement, buyers must not invite businesses that meet the definition of a U.S. business unless their participation is allowed under the Policy (see section on Exceptions to the Requirement to Exclude U.S. Businesses). Where possible, buyers should confirm that U.S. businesses are excluded before sending invitations. This means making best efforts to review potential bidders and understand the market to avoid unintentionally inviting a U.S. business. • Procurement documents may require each bidder to attest whether they are a U.S. business when submitting a bid, to confirm that a U.S. business is not 	<p>Revised.</p>
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	<p>above procurement values buyers should avoid inviting U.S. businesses to submit bids or otherwise respond to the procurement opportunity.</p>	<p>inadvertently included. Note: A public sector entity may rely on a business's attestation that it is not a "U.S. business".</p> <ul style="list-style-type: none"> • When inviting a U.S. business to submit a bid for a services procurement, include a requirement that the U.S. business commits to having 90% or more of the staffing needed to deliver the services located in Canada. • Procurement documents can include a requirement for U.S. bidder to attest that at least 90 per cent of the staff required to deliver the contracted services will be located in Canada. Public sector entities can also consider requiring bids from U.S. businesses to include a detailed staffing and location list. The list could include the total number of staff by identifying each position 	
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		<p>or title¹ that will deliver the services under the contract and specifying the location for each position.</p> <ul style="list-style-type: none">o Note: procurement document should consider stating that if the successful bidder is a U.S. business, the staffing commitment of at least 90 percent of the staff being located in Canada, along with any staffing information, will form part of the resulting contract., Work with your legal counsel to incorporate the staffing commitment and plan into the contract.	
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Footnote 6 (page 11)		6 Only request information of position or title rather than names	Added new footnote.
Open Competitive How to Apply the Restriction (page 12)	How to Apply the Restriction <ul style="list-style-type: none"> • When conducting an open competitive process, public sector entities must restrict U.S. businesses (as defined in the Policy) from participating in the procurement. This restriction can be achieved in many ways. • When drafting procurement document(s), buyers should include: <ul style="list-style-type: none"> ○ A definition of 'U.S. business' consistent with the Policy and this guidance. 	5.3.1 How to Apply the Restriction <ul style="list-style-type: none"> • When conducting an open competitive process, public sector entities must restrict U.S. businesses (as defined in the Policy) from participating in the procurement. This restriction can be achieved in many ways. • When procuring services, U.S. businesses may bid if they commit to having 90% or more of the required staff located in Canada. • When drafting procurement document(s), buyers could include: 	Revised.

	<ul style="list-style-type: none"> ○ a requirement that each bidder represent whether or not they are a U.S. business when submitting a bid. <ul style="list-style-type: none"> ▪ Note: A public sector entity may rely on a business's representation that it is not a 'U.S. business'. ○ Clear language that sets out the restriction (See Appendix A.1 for sample language). 	<ul style="list-style-type: none"> ○ A definition of 'U.S. business' consistent with the Policy and this guidance. ○ a requirement that each bidder attest whether or not they are a U.S. business when submitting a bid. <ul style="list-style-type: none"> ▪ Note: A public sector entity may rely on a business's attestation that it is not a 'U.S. business'. ○ If the public sector entity decides to allow bids from U.S. businesses, procurement documents should include an eligibility requirement for U.S. bidders to commit that at least 90 percent of the staff required to deliver the contracted services will be located in Canada. (For 	
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		<p>example, by including a mandatory criterion requiring bidders to attest to this commitment. Public sector entities can also consider requiring bidders to provide a detailed staffing list that identifies the role or position title of each proposed staff member and their location to support the attestation.)</p> <ul style="list-style-type: none"> o Clear language that sets out the restriction (See Appendix A.1 for sample language). 	
Non-Competitive (page 13)	<p>Non-Competitive</p> <p>How to Apply the Restriction</p> <p>When conducting a non-competitive procurement, public sector buyers must not procure from or contract with a U.S.</p>	<p>5.4 Non-Competitive</p> <p>5.4.1 How to Apply the Restriction</p> <p>Public sector entities may only conduct a non-competitive procurement with a U.S. business if it falls under an</p>	Revised.

	business unless prior approval is sought as set out in the Policy.	allowable exception or if the policy does not apply. See section 3.2 of this guide for details on Scope. When procuring services, public sector buyers must require the vendor to commit that 90% or more of the staffing required to deliver the services will be located in Canada. If the public sector entity decides to allow a bid from a U.S. business the buyer should consider requiring the vendor to submit a list that identifies the role or position title of each proposed staff member who will perform the services under the resulting contract. ²	
Footnote 7 (page 14)		7 Note wherever feasible buyers should direct non-competitive procurement opportunities to Ontario or Canadian businesses that can meet their procurement requirements.	Added new footnote.

<p>7Appendix</p> <p>Sample language indicating the restriction (page 15)</p>	<p>A.1 Sample language indicating the restriction</p> <p>A bid submitted by a U.S. business (as defined in the Policy) will be considered non-compliant and not evaluated if it does not satisfy the eligibility requirements set out in the procurement document(s). Buyers should consider including the following requirement in their procurement document:</p> <p>A Bidder's eligibility must be demonstrated before a Bid may be accepted. The Bidder must not be a U.S. business, where 'U.S. business' means a supplier, manufacturer, or distributor of any business structure (including a sole proprietorship, partnership, corporation, or other business structure) that (i) has its headquarters or main office located in the U.S., and (ii) has fewer than 250 full-time employees in Canada.</p>	<p>7.1 Sample language for procurement documents</p> <p>(e.g. Request for Bids, Request for Proposal, etc.)</p> <p>7.1.1 Stating the restriction</p> <p>A bid submitted by a U.S. business (as defined in the Policy) will be considered non-compliant and not evaluated if it does not satisfy the eligibility requirements set out in the procurement document(s). Buyers should consider including the following requirement in their procurement document:</p> <p>A Bidder's eligibility must be demonstrated before a Bid may be accepted. The Bidder must not be a U.S. business. 'U.S. business' means a supplier, manufacturer, or distributor of any business structure (including a sole proprietorship, partnership, corporation, or other business structure) that (i) has its headquarters or main office located</p>	<p>Revised.</p>
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	<p>If a Bidder is a subsidiary of another corporation, part 1 of the definition above is met if that Bidder is controlled by a corporation that has its headquarters or main office located in the U.S.</p> <p>Sample Eligibility Requirement</p> <p>Buyers should consider including a mandatory eligibility requirement in their procurement document (e.g., in the eRFB/RFP). An eligibility requirement can be framed in the positive or negative. For example:</p> <p>The Bidder is not a U.S. business, where 'U.S. business' means a supplier, manufacturer, or distributor of any business structure (including a sole proprietorship, partnership, corporation, or other business structure) that (i) has its</p>	<p>in the U.S., and (ii) has fewer than 250 full-time employees in Canada.</p> <p>If a Bidder is a subsidiary of another corporation, part (i) of the definition above is met if that Bidder is controlled by a corporation that has its headquarters or main office located in the U.S.</p> <p>7.1.2. Sample Eligibility Requirement</p> <p>Buyers should consider including a mandatory eligibility requirement in their procurement document (e.g., in the eRFB/RFP). An eligibility requirement can be framed in the positive or negative. For example:</p> <p>7.1.2.1 Attestation of U.S Business Status</p> <p>The Bidder is a U.S. business. 'U.S. business' means a supplier, manufacturer, or distributor of any business structure (including a sole proprietorship, partnership, corporation, or other business structure) that (i) has</p>	
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	<p>headquarters or main office located in the U.S., and (ii) has fewer than 250 full-time employees in Canada at the time of the applicable procurement process.</p> <p>If a Bidder is a subsidiary of another corporation, part 1 of the definition above is met if that Bidder is controlled by a corporation that has its headquarters or main office located in the U.S.</p> <p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>If the Bidder has not demonstrated eligibility with a "Yes" response, the Ministry reserves the right to disqualify the Bidder.</p> <p>A.1. Sample Reserved Right</p>	<p>its headquarters or main office located in the U.S., and (ii) has fewer than 250 full-time employees in Canada at the time of the applicable procurement process.</p> <p>If a Bidder is a subsidiary of another corporation, part (i) of the definition above is met if that Bidder is controlled by a corporation that has its headquarters or main office located in the U.S.</p> <p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>If the Bidder has not demonstrated eligibility with a "Yes" response, the Ministry may disqualify the Bidder.</p> <p>7.1.2.2 Attestation of Staffing Commitment for Services Procurements.</p>	
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	<p>Buyers should consider including the following reserved right in their procurement document:</p> <p>(x) disqualify any Bidder that is a 'U.S. business' as that term is defined in the RFB/RFP.</p> <p>A.2. Sample Representation for the form of agreement (or equivalent contractual document)</p> <p>Buyers should consider including a representation in the form of agreement or equivalent contractual document that is entered into between the vendor and the procuring entity. Buyers should work with legal counsel when including a representation in their procurement agreements. The following sample representation can be structured as a standalone representation or modified as necessary and added to an article within an agreement containing other representations and warranties.</p>	<p>(To be included if a U.S. business is allowed to participate in the procurement)</p> <p>If the bidder responded "Yes", then does the Bidder commit that at least 90 percent of the staff required to deliver the contracted services will be located in Canada and that this level will be maintained for the term of the contract?</p> <p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>If the Bidder has not demonstrated eligibility with a "No" response, the Ministry will disqualify the Bidder.</p> <p>To be added if a staffing list is required:</p> <p>To support your attestation, provide a staffing list demonstrates how the 90 percent staffing commitment will be met. This list must include:</p>	
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	<p>Vendor Representation Regarding Eligibility:</p> <p>The Vendor represents that it is not a 'U.S. business' as that term is defined in the [RFB/RFP/Agreement.]</p>	<p>The total number of staffed required to deliver the services under the contract.</p> <p>Each role or job title involved in delivering the contracted services and the location of each role.</p> <p>Failure to provide this staffing list may render your submission non-compliant and may result in disqualification.</p> <p>7.1.3 Clause on Staffing Commitment to be included in procurement document.</p> <p>The Vendor represents that at least ninety percent (90%) of the staffing assigned to deliver the services under any resulting contract will be located in Canada.</p>	
<p>7.2 Sample Representation for the form of agreement (or equivalent contractual</p>		<p>7.2 Sample Representation for the form of agreement (or equivalent contractual document)</p> <p>Buyers should consider including a attestation in the form of agreement or</p>	<p>New.</p>

<p>document (page 15-17)</p>		<p>equivalent contractual document that is entered into between the vendor and the procuring entity. Buyers should work with legal counsel when including a representation in their procurement agreements. The following sample representation can be structured as a standalone representation or modified as necessary and added to an article within an agreement containing other representations and warranties.</p> <p>7.2.1 Vendor Representation Regarding Eligibility: The Vendor represents that it is not a 'U.S. business' as that term is defined in the [RFB/RFP/Agreement.]</p> <p>7.2.2 Clause regarding staffing commitment The Vendor represents that at least ninety percent (90%) of the personnel assigned to deliver the services under the contract will be located in Canada.</p>	
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		<p>Any changes that affect this ratio require prior written approval from the Buyer. Failure to comply with this section is a breach of the contract.</p> <p>7.2.3 Clause regarding staffing commitment if staffing list was requested</p> <p>The Vendor represents that at least ninety percent (90%) of the personnel assigned to deliver the services under the contract will be located in Canada. The Vendor has provided a staffing list as part of its bid and will update it upon request. Any changes that affect this ratio require prior written approval from the Buyer. Failure to comply with this section is a breach of the contract.</p>	
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Note: Changes have been made to the 'Procurement Restriction Policy (US Businesses): A Guide for Public Sector Buyers' ('the Guide') to reflect the changes in the UPDATED November 20, 2025 version of the "Guide"