

## The Feasibility of Developing a Canadian Content Policy for Toronto's Procurements in Compliance with Existing Trade Agreements

**Date:** October 25, 2017

**To:** Government Management Committee

**From:** Treasurer

**Wards:** All

### SUMMARY

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City Council directed staff to report back on the feasibility of developing a Canadian Content Policy for the City of Toronto's procurements in compliance with recent trade agreements such as the Canada-European Union Comprehensive Economic and Trade Agreement (CETA) and the Canadian Free Trade Agreement (CFTA).

In reviewing the feasibility of implementing a Canadian Content Policy in accordance with CETA and CFTA provisions, staff are not recommending the implementation of a Canadian Content Policy for the following reasons:

- The policy would only be applicable for goods and services up to \$340,615 in value, or construction contracts up to \$8.5 million dollars in value.
  - For goods and services, the dollar values for these contracts are small and the resources that would be required to audit these contracts to ensure that they met the Canadian content claimed would likely outweigh the value that might arise from requiring Canadian Content.
  - For construction services, this policy will have minimal impact because these services are primarily performed by natural persons based in the GTA as the City is obligated to use labour trade unions in the ICI sector and most material used in construction by their nature, are acquired in the GTA.
- Further, no certification body exists for PMMD to use to ensure that goods being procured are made in Canada and would meet the level of Canadian content required and, compliance risks associated with adopting a Canadian content policy for all City procurements would likely outweigh the uncertain benefits that could be achieved from a few exceptional procurements.
- From a jurisdictional scan perspective there are limited examples of Canadian Content Policies, and where it is done, such as for transit vehicles for the TTC, that type of purchase has a robust audit process to ensure the Canadian Content is met.

## RECOMMENDATIONS

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The Treasurer recommends that:

Government Management Committee receive this report for information.

## FINANCIAL IMPACT

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There are no financial impacts associated with the adoption of this report.

The Acting Chief Financial Officer has reviewed this report and agrees with the financial impact information.

## DECISION HISTORY

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At its July 12, 13, 14 and 15, 2016 Council meeting, Council adopted, as amended, GM13.13 "Amendments to the Purchasing By-law and Procurement Processes Policy". As part of that report, Council directed the Treasurer to report back on:

- a. the feasibility of developing a Canadian Content Procurement Policy in compliance with existing trade agreements; and
- b. reviewing the criteria for when staff should bring important procurements to City Council for policy direction prior to the issuance of the procurement as set out in the "Access to Councillors during a Procurement Process Policy" and to further ensure that City Council decides on the appropriate procurement approach for significant contracting out prior to the issuance of the procurement.

See: <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.GM13.13>

At its February 24, 2014 Council meeting, Council adopted as amended, GM28.9 "Information on Purchasing Policies and Practices". As part of the report, staff provided information on the status of Toronto's Canadian Content Policy including a survey of jurisdictions which had a Canadian Content Policy and/or local preference policy.

See: <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2014.GM28.9>

At its May 23, 24 and 25, 2006 Council meeting, Council adopted as amended, a report from the Deputy City Manager and Chief Financial Officer on the "Canadian Content and Local Toronto Preference Policy". As part of that report, staff recommended that the City not enact a Local Toronto Preference Policy and repeal the Canadian Content Policy.

See: <http://www.toronto.ca/legdocs/2006/agendas/council/cc060523/admcl002a.pdf>

At its April 14, 15 and 16, 2003 Council meeting, Council adopted as amended, a report from Auditor General on the " Procurement Processes Review" which recommended that the Canadian Content Policy be suspended pending a requested report from the Deputy City Manager and Treasurer on the potential repeal of the policy and any related implications.

See: <http://www.toronto.ca/legdocs/2003/agendas/council/cc030414/au1rpt/cl008.pdf>

## **COMMENTS**

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### **Background;**

#### **City of Toronto's Canadian Content Policy**

The City of Toronto currently has a suspended Canadian Content Policy. The Canadian Content Policy has been suspended since 2003 after an Auditor General report which recommended the repeal of the policy.

The City's suspended Canadian Content Policy defined "Canadian Content" as the portion of the selling price of a product or service that is related to the work performed in Canada. In addition, the policy also allowed for Canadian Content to be calculated as the selling price less the cost of delivery and indirectly imported materials, labour, services and overhead. To recognize the preference for Canadian Content, the policy required the total net bid price (including duty taxes and freight) of bids and proposals submitted then be reduced by 10 percent of their Canadian Content to arrive at the final "evaluation bid."

In 2006, Council considered a report from the Deputy City Manager and Chief Financial Officer on the Canadian Content and Local Toronto Preference Policy which recommended that the City not enact a Local Toronto Preference Policy and repeal the Canadian Content Policy due to the following reasons;

(<http://www.toronto.ca/legdocs/2006/agendas/council/cc060523/admcl002a.pdf>)

- Canadian Content Policy was determined to be contradictory to trade practices including the support of free and open trade, the promotion of economic development, job creation and business and trade opportunities as well as strengthening the competitiveness of Ontario suppliers;
- Canadian Content Policy lacked verification and enforceability which made it difficult to administer. More specifically, the City relied on bidders themselves for the source of information respecting the methods used to calculate Canadian Content figures for contracts not yet awarded and likely to change;
- The impact of the Canadian Content Policy was minimal. During the time it was in practice from July 2000 to June 30, 2003 there were only six (6) cases where the Canadian Content Policy resulted in awarding to a bidder who had not submitted the lowest priced bid. This led to an additional cost to the City of

\$45,000, but without any positive economic impact for the City's economy or suppliers.

In addition, the report identified approximately 99% of all contracts awarded by the City as being issued to suppliers located in Canada, approximately 89% of which, went to suppliers located in the GTA.

In the 2006 report, staff also recommended that a Local Toronto Preference Policy not be developed as it was considered to be contrary to the *Ontario Discriminatory Business Practices Act* which prevents discrimination based on geographical location of a person or business. Further, such a policy is inconsistent with trade agreements.

### **CETA Procurement Provisions as Applicable to the City of Toronto**

CETA was signed on October 30, 2016 and covers all sectors and aspects of Canada-European Union (EU) trade in order to eliminate or reduce barriers. As explained in GM13.13 "Amendments to the Purchasing By-law and Procurement Processes Policy", CETA will apply to procurements done by municipalities above a certain dollar threshold. CETA came into force on September 21, 2017.

### **CETA Procurement Monetary Thresholds**

The City is required to apply CETA procurement provisions to all solicitations for goods and services valued at over \$340,615 and for construction services (tenders) exceeding \$8,500,000. These threshold amounts will change over time as the threshold amounts are based on a universal currency rate and the amounts above are the thresholds in Canadian.

### **Non- Discrimination Obligations and Rules of Origin**

Under CETA procurement provisions, Article 19.4 requires the City to comply with non-discrimination obligations and treat products from the EU member states in a manner which is "no less favourable than that accorded by a province or territory, including its procuring entities to goods and services of, and to suppliers located in, that province or territory". In addition, the City including its procuring entities shall not; (a) treat a locally established supplier less favourably than another established supplier on the basis of the degree of foreign affiliation or ownership or (b) discriminate against a locally established supplier on the basis that the goods or services offered by the supplier for a particular procurement are goods or services of the other party."

For Rules of Origin, CETA procurement provisions require the City to comply with the following prohibition; "For the purposes of covered procurement, a Party shall not apply rules of origin to goods or services imported from or supplied from the other Party that are different from the rules of origin the Party applies at the same time in the normal course of trade to imports or supplies of the same goods or services from the same Party."

In light of the above non-discrimination obligations and Rules of Origin, CETA procurement provisions do not allow the application of a Canadian Content Policy for any procurements covered by CETA. In addition to the CETA monetary thresholds

above, some further procurements exempted from CETA provisions include; procuring entities in Ontario and Quebec such as the TTC that can apply a Canadian Content requirement up to 25% of the contract value for mass transit vehicles such as street cars, buses, trolley buses, subway cars, passenger rail cars or locomotive for subway or rail system used for public transportation, the procurement of certain goods by municipal police forces and social or labour-related criteria including adhering to collective agreements. A list of additional procurements to which CETA provisions do not apply is located in table 3 of the Appendix to this report.

### **CFTA Procurement Provisions as Applicable to the City of Toronto**

The CFTA, an intergovernmental trade agreement entered into force on July 1st, 2017. Its objective is to reduce and eliminate, to the extent possible, barriers to the free movement of persons, goods, services, and investments within Canada and to establish an open efficient, and stable domestic market. CFTA applies to procurements done by municipalities above a certain dollar threshold.

### **CFTA Monetary Thresholds**

The City is required to apply CFTA procurement provisions to all solicitations for goods and services valued at over \$100,000 and for construction services (tenders) exceeding \$250,000. These CFTA thresholds will be adjusted in line with inflation every two years.

### **Non Discrimination and Canadian Value-added Obligations**

Under CFTA procurement provisions, article 502 requires that the Province of Ontario (the province) treat the goods and services of any other Party, including those goods and services included in construction contracts, no less favourable than the best treatment the province accords to its own such goods and services and that the province treat the suppliers of goods and services of any other Party, including those goods and services included in construction contracts, no less favourably than the best treatment the province accords to its own suppliers of such goods and services.

Unless municipalities are required to comply with international obligations and provided their purpose is not to avoid competition or to discriminate against any other Party's goods, services, or suppliers, article 503 of the CFTA permits municipalities to apply a preference for Canadian Value- added or limit tendering to Canadian goods, services or suppliers.

With respect to services, the CFTA defines Canadian Value-added as the proportion of the service contract performed by natural persons based in Canada and in relation to goods, the value of the portion of the good produced in Canada or the difference between the dutiable value of imported goods and the selling price, taking into account any value added by manufacturers and distributors, and including any costs incurred in Canada related to research and development, sales and marketing, communications and manuals, customization and modifications, installation and support, warehousing and distribution, training, and after-sales service.

To apply preference for Canadian Value-added, CFTA permits a premium no greater than 10 percent to be awarded by the City during the evaluation of solicitations for Canadian value-added.

## **The Feasibility of Implementing a Canadian Content Policy for Toronto**

Survey of Canadian Content and Local Preference Policies across Canada:

Staff in PMMD surveyed 51 jurisdictions to determine whether they had a Canadian Content Procurement Policy including whether this policy had been reviewed in light of recent trade agreements such as CETA. Table 1 in the Appendix provides a list of the jurisdictions surveyed. Out of the 51 jurisdictions, 29 responded. The results of the survey are found in Table 2 in the Appendix.

Only the City of Brampton indicated that they had incorporated a Canadian content requirement into their Purchasing Policies which allows the City of Brampton the discretion to accord a preference for Canadian value-added, provided that the preference is not greater than 10%. The City of Brampton also noted that it is in the process of reviewing the City's Canadian Content Policy with a new bylaw scheduled for January 2018. The City of Brampton further noted that no process is in place to validate Canadian content.

The Ontario Ministry of Transportation has a Canadian Content Transit Vehicle Procurement Policy, recently amended because of CETA, which now requires municipalities procuring transit vehicles with provincial funding to apply a Canadian Content of no more than 25% Canadian Content to the procurement of transit vehicles.

The TTC has made revisions to its Canadian Content Policy to ensure it complies with the Ontario Ministry of Transportation requirements (which are based on the new CETA requirements) in the purchase of mass transit vehicles. The Ministry's policy requires Transit operators and entities to ensure manufacturers from whom they acquire transit vehicles meet the Canadian Content requirements through the signing of a Canadian Content Declaration and Consent Form.

With respect to the Province of Ontario's own procurement activities, procurement staff at the Ministry of Government and Consumer Services indicated that the Province does not follow a Canadian Content Procurement Policy or any local preference policy.

The Federal Government's Public Works and Government Services Canada has a Canadian Content Policy which is a Cabinet-mandated policy that applies only to procurements carried out by Public Works and Government Services Canada (PWGSC) with some exceptions. PWGSC's Canadian Content Policy does not apply to other government departments that engage in their own procurement and does not apply to construction procurement that had been previously carried out by the former Public Works Canada. Further, the policy doesn't apply to procurements that are subject to international trade treaties, procurements made by PWGSC outside of Canada, procurements related to furtherance of aid in developing countries, and Cabinet-mandated sourcing.

Suppliers are required to complete a Canadian Content Certification demonstrating that their bids meet the minimum Canadian Content. For one good or service, the bidder must certify that the good or service is Canadian in accordance with Section 9 of the policy on "The Rules of Origin Determination". When requirements consist of more than one good and/or service, the contracting officer must decide, at the procurement planning stage, whether the Canadian Content certification will be done on an aggregate or individual basis. The Aggregate approach requires a minimum of 80 percent of the total bid price to consist of Canadian goods and/or services. The individual approach requires suppliers to identify that each good or service meets the definition of "Canadian goods" and "Canadian Services" as described in the Policy. PWGSC has confirmed that they rely on self-certification of bidders with respect to Canadian Content and where there are issues, PWGSC may conduct an audit to determine if the Canadian Content was met.

## **Historical Analysis of Goods and Services Contracts and Tenders Issued in PMMD**

Staff in PMMD also conducted a four year historical analysis of non-tender (purchase orders and blanket contracts for goods and services) and tender contracts issued in 2014, 2015, 2016 and the first quarter of 2017 to determine the number of contracts whose dollar values meet CETA thresholds to effectively assess whether a Canadian Content Policy should be developed for the City of Toronto.

With respect to good and services, a total of 1,486 contracts valued at approximately \$2.84 billion were issued from 2014-2016 including the first quarter of 2017. Of these contracts issued, 47% of the contracts with a total dollar value of approximately \$2.64 billion were identified as exceeding the CETA monetary threshold (of \$340,615) while the remaining 53% contracts, with a total dollar value of approximately \$200 million fell below the CETA threshold. Tables 4 and 5 in the Appendix show the amount of goods and services contracts issued each year and their respective dollar value.

For construction services, a total of 871 tenders valued at approximately \$2.77 billion were issued from 2014-2016 including the first quarter of 2017. Of these tenders issued, approximately 7% of the tenders with a total dollar value of \$1.32 billion exceeded the CETA monetary threshold (of \$8.5 million). The remaining 93% of tenders with a total dollar value of approximately \$1.45 billion, fell below the threshold.

Tables 6 and 7 in the Appendix show the amount of construction contracts issued each year and their respective dollar values.

Overall, for goods and services, approximately 53% of the contracts issued each year have been less than the CETA dollar threshold of \$340,615, with 93% of construction contracts each year lower than the CETA dollar threshold of \$8.5 million. While there may be a significant number of contracts that are below the CETA thresholds, PMMD is not recommending the implementation of a Canadian Content Policy for those procurements under the CETA thresholds for the following reasons:

- In the case of construction, the services performed are done primarily by natural persons based in Canada as the City is obligated to use labour trade unions in the

ICI sector, and most material used in construction is acquired in the GTA, such as aggregate, asphalt and concrete;

- In the case of other services such as consulting services, the work performed again is being performed primarily by workers based in Canada;
- There is no certifying body that can be used to certify that goods being procured are made in Canada and, out of the four jurisdictions with a Canadian Content policy, those jurisdictions relied on suppliers/manufacturers self-verifying that their goods met a certain level of Canadian content.
  - Self-verification was noted as a prime reason why the Canadian Content Policy was suspended in the first place back in 2003.
- While just over 50% of the goods and services contracts issued each year are below the CETA dollar threshold of \$340,615, the average contract value under the threshold was about \$260,000. The resources that would be required to audit these small value contracts to ensure that they met the Canadian content claimed would likely outweigh the value that might arise from requiring Canadian Content.
  - It was noted that the Canadian Content policy as it was implemented in 2000 to 2003 provided very little benefit to the City, as the Policy was only utilized to change the low bidder a handful of times.
- The additional process and compliance risks associated with adopting a Canadian content policy for all City procurements would likely outweigh the uncertain benefits that could be achieved from a few exceptional procurements. Such risks would be associated with changing procurement methods to evaluate Canadian content and conducting related due diligence to verify self-declarations.

Based on these reasons, staff are not recommending implementing a Canadian Content Policy that would comply with trade agreements. PMMD is also beginning two large scale procurement transformations to change and improve the procurement process in the City. One of those transformations is the implementation of Category Management which will help drive more strategic decisions related to procuring certain categories of goods and services. As part of that transformation, if it is determined that a Canadian Content policy would be helpful to an overall procurement strategy, PMMD staff will revisit the policy and seek appropriate Council direction as required, including the resources needed to sustain such a policy.

## **CONTACT**

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## **SIGNATURE**

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Mike St. Amant  
Treasurer

## **ATTACHMENTS**

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Appendix One - Background Information on Canadian Content



## Appendix One - Background Information on Canadian Content

**Table 1: List of Canadian Jurisdictions Surveyed for Canadian Content and Local Preference Policies**

The following 51 jurisdictions were surveyed for whether they had Canadian Content and Local Preference Policies including whether these policies have been reviewed in light of recent trade agreements such as CETA. (Italicized jurisdictions did not respond):

City of Cambridge	<i>Municipality of Waterloo</i>	Township of King
City of Hamilton	Town of Halton Hills	<i>City of Vaughan</i>
City of London	<i>Town of Milton</i>	<i>Town of East Gwillmbury</i>
City of Niagara Falls	<i>City of Burlington</i>	<i>Town of Whitchurch-Stouffville</i>
City of Ottawa	Town of Oakville	City of Markham
<i>City of Thunder Bay</i>	<i>Town of Caledon</i>	<i>Town of Newmarket</i>
City of Mississauga	City of Brampton	<i>Town of Aurora</i>
Town of Ajax	Province of Ontario	<i>Town of Richmond Hill</i>
<i>Town of Whitby</i>	<i>Township of Uxbridge</i>	<i>Township of Scugog</i>
Municipality of Clarington	City of Pickering	City of Oshawa
York Region	Peel Region	<i>Halton Region</i>
<i>City of Saskatoon</i>	City of Edmonton	City of Moncton
<i>City of Montreal</i>	<i>City of St. John's</i>	City of Vancouver
City of Victoria	City of Winnipeg	City of Calgary
<i>Metrolinx</i>	Regional Municipality of Halifax	<i>Metro Vancouver</i>

The Ontario Ministry of Transportation'	Toronto Transit Commission (TTC)	Public Works and Government Services Canada
Government of Alberta	<i>Government of New Brunswick</i>	<i>British Columbia Procurement Governance Office</i>

**Table 2: Summary of Responses to Survey Questions**

No.	Jurisdiction	Question 1: is your municipality currently using a Canadian Content Procurement Policy?	Question 2: Has your Canadian Content Procurement Policy been recently reviewed in light of the recent developments in trade agreements, in particular the Comprehensive Economic Trade Agreement (CETA) with the European Union?
1.	City of Pickering	No Policy	No
2.	City of Oshawa	No Policy	No
3.	City of Hamilton	No Policy	No
4.	City of Markham	No Policy; however, the cafeteria provider at our City hall must purchase 25% of its material (Chicken, Meat) and produce from Ontario Farmers through Local Food Plus (LFP) certified farmers on an annual basis.	No
5.	City of Ottawa	No Policy but have abided by Province's requirements for transit vehicles.	No
6.	City of London	No Policy	No
7.	Town of Ajax	Yes, By-law states that no local preference will be given.	No
8.	City of Niagara Falls	No Policy	No

No.	Jurisdiction	Question 1: is your municipality currently using a Canadian Content Procurement Policy?	Question 2: Has your Canadian Content Procurement Policy been recently reviewed in light of the recent developments in trade agreements, in particular the Comprehensive Economic Trade Agreement (CETA) with the European Union?
9.	Town of Halton Hills	No Policy	No
10.	York Region	No policy but have abided by the Province's requirement for award of transit buses where funding is subject to this provision.	No
11.	Peel Region	Yes; By-law states: " In accordance with Region's Local Preference Procurement Policy no goods and services shall be requisitioned under this by-law based on location or origin of goods and services"	No
12.	Town of Oakville	No Policy	No
13.	Municipality of Clarington	No Policy	No
14.	City of Cambridge	No Policy	No
15.	Township of King	No Policy	No
16.	City of Mississauga	No Policy	No
17.	Government of Alberta	No Policy	No
18.	City of Moncton	No Policy	No
19.	City of Winnipeg	No Policy	No
20.	City of Victoria	No Policy	No

21.	City of Brampton	<p>Yes; By-law 35-2012 Section 3.6 Canadian Content:</p> <p>In accordance with the requirements of the Agreement on Internal Trade, the City may accord a preference for Canadian value-added, provided that the preference is not greater than 10%.</p> <p>The City may limit its tendering to Canadian goods or vendors, provided the City is satisfied that there is sufficient competition among Canadian vendors and the requirement for Canadian content is no greater than necessary to qualify the procured good as a Canadian good.</p> <p>In order to better ensure open, fair and competitive practices amongst entities who are part to various trade treaties, the Purchasing Agent may elect to designate jurisdictions that impose local trade restrictions and companies from those jurisdictions shall be ineligible to submit Bids in respect of City Procurement Processes or otherwise conduct business with the City.</p>	Yes; The City of Brampton is in the process of reviewing its policy with a new By-law scheduled for January 2018.
22.	City of Calgary	No Policy; The New West Partnership Trade Agreement does not allow for local considerations when	No

No.	Jurisdiction	Question 1: is your municipality currently using a Canadian Content Procurement Policy?	Question 2: Has your Canadian Content Procurement Policy been recently reviewed in light of the recent developments in trade agreements, in particular the Comprehensive Economic Trade Agreement (CETA) with the European Union?
		evaluating and awarding contracts.	
23.	Halifax Regional Municipality	No Policy	No
24.	City of Vancouver	No Policy	No
25.	City of Edmonton	No Policy; The New West Partnership Trade Agreement does not allow for local considerations when evaluating and awarding contracts.	No
26.	The Ontario Ministry of Transportation	Yes; has a Canadian content Transit Vehicle Procurement Policy which requires municipalities procuring transit vehicles with provincial funding to have at least 25% Canadian content as well as allows municipalities to require a higher percentage of Canadian Content for its transit vehicle procurements.	Yes; updated its policy to comply with CETA requirements that stipulate that Canadian content requirements for transit vehicles cannot exceed 25% of the Contract Value in Canada.
27.	Toronto Transit Commission (TTC)	Yes; TTC Canadian Content requirements for bus procurements are as follows; 30% for 60ft articulated hybrid bus and 40ft hybrid buses, 35% for 60ft articulated diesel buses and 40% for 40ft diesel buses.	Yes; in June 2017, The TTC updated its Canadian Content Policy to ensure procurement of buses complies with The Ontario Ministry of Transportation and CETA requirements by not exceeding 25% of the contract value in Canada.

No.	Jurisdiction	Question 1: is your municipality currently using a Canadian Content Procurement Policy?	Question 2: Has your Canadian Content Procurement Policy been recently reviewed in light of the recent developments in trade agreements, in particular the Comprehensive Economic Trade Agreement (CETA) with the European Union?
28.	Province of Ontario	<p>No; Ontario does not have a Canadian Content Procurement Policy.</p> <p>In compliance with Ontario's trade agreement commitments, the Government of Ontario does not normally apply local preference policies in its procurements to avoid retaliation from other jurisdictions.</p>	No
29.	Public Works and Government Services Canada (PWGSC)	<p>Yes; has a Cabinet-mandated Canadian Content Policy that only applies to Supply and Services Canada (SSC) which is a part of PWGSC. The Policy does not apply when other government departments do their own contracting and to construction procurement that had been previously carried out by the former Public Works Canada.</p> <p>The Policy applies to competitive procurements with an estimated value of \$25,000 or more, with the exception of contracts subject to international trade treaties, Cabinet-mandated sourcing, procurement in relation to foreign aid, or procurement done by PWGSC outside Canada.</p>	Yes; PWGSC'S Canadian Content policy has been developed to specifically exclude competitive procurements subject to international trade agreements.

**Table 3: Procurements to Which CETA Provisions do not Apply:**

1.	The acquisition or rental of land, existing buildings or other immovable property or the rights thereon;
2.	Non-contractual agreements or any form of assistance that a party provides, including cooperative agreements, grants, loans, equity infusions, guarantees and fiscal incentives;
3.	The procurement or acquisition of fiscal agency or depository services, liquidation and management services for regulated financial institutions or services related to the sale, redemption and distribution of public debt, including loans and government bonds, notes and other securities;
4.	Public employment contracts;
5.	Procurement conducted: <ul style="list-style-type: none"> <li>• For the specific purpose of providing international assistance, including development aid;</li> <li>• Under the particular procedure or condition of an international agreement relating to the stationing of troops or relating to the joint implementation by the signatory countries of a project; or</li> <li>• Under the particular procedure or condition of an international organisation, or funded by international grants, loans or other assistance if the applicable procedure or condition would be inconsistent with this Chapter.</li> </ul>
6.	Procurements made in respect of agricultural goods used to further agricultural support programs or human feeding programs;
7.	Procurements from other government entities;
8.	Measures adopted or maintained by aboriginal peoples including aboriginal businesses;
9.	Procurements to protect human, animal or plant life and health as long as they are not applied as a means of "arbitrary or unjustifiable discrimination",
10.	Procurements for promoting the conservation of natural resources or to protect the environment;
11.	Procurements related to activities in the fields of drinking water, energy, transport and the postal sector; and
12.	Service contracts, excluding construction services which grant to a supplier the right to provide and exploit a service to the public as complete or partial consideration for the delivery of a service and all services listed in Annex 19-3B of CETA provisions.

**Table 4: Summary of Purchase Orders and Blanket Contracts Issued from 2014-2017 which are Above CETA (\$340,615)**

Year	Total No. of Contracts Issued	Total Dollar Value of Contracts Issued	Total No. of Contracts Issued Above CETA Threshold	Total Dollar Value of Contracts Above CETA Threshold	Percentage No. of Contracts Issued Above CETA Threshold	Average Value of Contracts Issued Above CETA Threshold
2017	20	\$10,394,250	4	\$9,386,164	20%	\$2,346,541
2016	381	\$285,839,376	188	\$236,831,941	49%	\$1,259,744
2015	544	\$1,330,500,789	265	\$1,247,837,721	49%	\$4,708,821
2014	541	\$1,213,841,217	242	\$1,142,432,600	45%	\$4,720,795
Total	1486	\$2,840,575,632	699	\$2,636,488,427	47%	

*Note: 2017 captures data for Purchase Orders and Blanket contracts relating to the first quarter only.*

**Table 5: Summary of Purchase Orders and Blanket Contracts Issued from 2014-2017 below the CETA Threshold (\$340,615)**

Year	Total No. of Contracts Issued	Total Dollar Value of Contracts Issued	Total No. of Contracts Issued Below CETA Threshold	Total Dollar Value of Contracts Below CETA Threshold	Percentage No. of Contracts Issued Below CETA Threshold	Average Value of Contracts Issued Below CETA Threshold
2017	20	\$10,394,250	16	\$1,008,085	80%	\$63,005
2016	381	\$285,839,376	193	\$49,007,435	51%	\$253,924
2015	544	\$1,330,500,789	279	\$82,663,067	51%	\$296,283
2014	541	\$1,213,841,217	299	\$71,408,616	55%	\$238,824
Total	1486	\$2,840,575,632	787	\$204,087,205	53%	

*Note: 2017 captures data for Purchase Orders and Blanket contracts relating to the first quarter only.*



**Table 6: Summary of Tenders Issued from 2014-2017 Above the CETA Threshold of \$8,500,000**

Year	Total No. of Tenders Issued	Total Dollar Value of Tenders Issued	Total No. of Tenders Issued Above CETA Threshold	Total Dollar Value of Tenders Above CETA Threshold	Percentage No. of Tenders Issued Above CETA Threshold	Average Value of Tenders Issued Above CETA Threshold
2017	1	\$167,994	0	\$0	0%	\$0
2016	296	\$1,007,107,203	16	\$516,177,007	5%	\$32,261,062
2015	293	\$975,629,832	22	\$496,190,049	8%	\$22,554,093
2014	281	\$791,654,511	21	\$307,972,310	7%	\$14,665,348
Total	871	\$2,774,559,541	59	\$1,320,339,367	7%	
<i>Note: 2017 captures data for Tenders relating to the first quarter only.</i>						

**Table 7: Summary of Tenders Issued from 2014-2017 below the CETA Threshold of \$8,500,000**

Year	Total No. of Tenders Issued	Total Dollar Value of Tenders Issued	Total No. of Tenders Issued Below CETA Threshold	Total Dollar Value of Tenders Below CETA Threshold	Percentage No. of Tenders Issued Below CETA Threshold	Average Value of Tenders Issued Below CETA Threshold
2017	1	\$167,994	1	\$167,994	100%	\$1,860,316
2016	296	\$1,007,107,203	280	\$490,930,196	95%	\$1,769,150
2015	293	\$975,629,832	271	\$479,439,782	92%	\$1,753,322
2014	281	\$791,654,511	260	\$483,682,200	93%	\$167,994
Total	871	\$2,774,559,541	812	\$1,454,220,173	93%	
<i>Note: 2017 captures data for Tenders relating to the first quarter only.</i>						