



Contracting Policy Notice 2017-4 – Canada-European Union Comprehensive Economic and Trade Agreement (CETA)

Published: 2017-07-04

© Her Majesty the Queen in Right of Canada, represented by the President of the Treasury Board 2017,

Published by Treasury Board of Canada, Secretariat 90 Elgin, Ottawa, Ontario, K1A 0R5, Canada

Catalogue Number: BT12-10E-PDF

ISSN: 1491-591X

This document is available on the Government of Canada website, Canada.ca

This document is available in alternative formats upon request.

Aussi offert en français sous le titre : Avis sur la Politique des marchés 2017-4 – Accord économique et commercial global entre le Canada et l'Union européenne (AECG)

Contracting Policy Notice 2017-4: Canada-European Union Comprehensive Economic and Trade Agreement (CETA)

File No.:

7010-000-006

Date:

July 4, 2017

To:

Functional heads of Administration and Finance at all departments and agencies

Background

The <u>Canada-European Union Comprehensive Economic and Trade Agreement</u> (CETA) is expected to enter into force in the near future. CETA is an international free-trade agreement between Canada and the European Union and its member states, and it sets out government procurement obligations. As with all free-trade agreements, the entire chapter on government procurement should be consulted in order to learn Canada's obligations and the exceptions that are available regarding potential contracts.

<u>Chapter 19</u> of CETA addresses government procurement and consists of the following:

- the procedural rules to be followed when conducting a covered procurement;
 and
- eight (8) annexes, which form the Market Access Schedule of Canada

Note that CETA obligations commence with the beginning of the procurement process, which starts once an entity has decided on its requirement.

Covered entities

The departments and agencies subject to the obligations in the government procurement chapter are listed in <u>Annex 19-1: Central Government Entities</u>. All departments and agencies are encouraged to review Annex 19-1, as the number of covered entities exceeds other international trade agreements. Crown corporations that meet the definition of "federal entities" set out in <u>Annex 19-3: Other Entities</u> will also be subject to the obligations addressed in the chapter.

Goods, services and construction services

- Unless otherwise specified, all goods are covered. See Annex 19-4: Goods.
- Specified covered services are listed in <u>Annex 19-5: Services</u>.
- Unless otherwise specified, construction services are covered, including dredging. See <u>Annex 19-6: Construction Services</u>.
- The annexes should be reviewed for possible exceptions, including <u>Annex 19-7:</u> <u>General Notes.</u>

Thresholds

Thresholds: date of entry into force to December 31, 2017 (CAN \$)

	Departments and agencies	Crown corporations
Goods	221,400	604,700

	Departments and agencies	Crown corporations
Services, excluding construction	221,400	604,700
Construction	8,500,000	8,500,000

Note that the thresholds will be revised every two years, commencing January 1, 2018, and will be posted on the Treasury Board of Canada Secretariat's website as a <u>Contracting Policy Notice</u>.

Procedural obligations

Covered entities are strongly advised to familiarize themselves with the procedural obligations set out in Chapter 19. Examples of what the procedural obligations cover are as follows:

- posting periods for tender notices
- information that must be included in notices.
- content of tender documentation
- circumstances for the use of limited tendering
- publication of award information

All entities listed in <u>Annex 19-1: Central Government Entities</u> must publish their tender notices for covered procurement on the Government Electronic Tendering Service, currently <u>buyandsell.gc.ca</u>.

Exceptions

For exceptions that may apply, both the main text and the annexes of Chapter 19 should be reviewed. In particular, officials may wish to consult:

- Article 19.2 (Scope and Coverage)
- Article 19.3 (Security and General Exceptions)

- Article 19.12 (Limited Tendering), which provides information on the circumstances where sole-sourcing is permitted
- the annexes to Chapter 19, including <u>Annex 19-7: General Notes</u>

Reporting and information requirements

Article 19.15(4) describes the detailed annual reporting requirements for covered entities.

References

- <u>Canada-European Union Comprehensive Economic and Trade Agreement</u>
- <u>Canadian International Trade Tribunal Procurement Inquiry Regulations</u>
- Treasury Board <u>Contracting Policy</u>

Enquiries

- For matters of content regarding the Government Procurement Chapter of CETA, please contact Global Affairs Canada at <u>CETA-AECG@international.g.ca</u>.
- For information on the Treasury Board's Contracting Policy, please visit <u>TBS</u>
 <u>Public Enquiries</u> or email <u>Publicenquiries-demandesderenseignement@tbs-sct.gc.ca</u>.

Original signed by

Kathleen Owens
Assistant Comptroller General
Acquired Services and Assets Sector
Office of the Comptroller General

Date modified:

2017-07-05