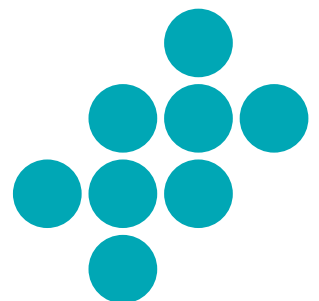




# Canada Economic Development for Quebec Regions

## Reporting under the Fighting Against Forced Labour and Child Labour in Supply Chains Act 2025-2026



## Canada Economic Development for Quebec Regions (CED) – 2026 Annual Report under the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*

This report is submitted of behalf of Canada Economic Development for Quebec Regions and covers activities from April 1, 2025, to March 31, 2026.

2025 reporting period (May 31, 2026, deadline)

This is not a revised report.

### ANNUAL REPORT

This report represents CED's annual disclosure, in alignment with the reporting requirements set out in subsection 6(1) and paragraphs (a) to (g) of subsection 6(2) of the Fighting Against Forced Labour and Child Labour in Supply Chains Act.

### Structure, activities and supply chains

This report is for a federal department or agency

### Canada Economic Development for Quebec Regions (CED) engages in the following activity:

- Purchasing goods
  - in Canada
  - outside Canada

Canada Economic Development for Quebec Regions (CED) is a federal agency that operates within the economic development sector, specifically focusing on the regional development of Quebec, while supporting small and medium-sized enterprises (SMEs).

CED mainly procures essential goods, including IT equipment, office supplies and office furniture, as well as both professional and non-professional services.

At CED, approximately **49,9%** of the annual value of its purchases were made through the use of PSPC tools such as Standing Offers and Supply Arrangements.

Since November, 2021, PSPC implemented anti-forced labour clauses in all goods contracts to ensure that it can terminate contracts where there is credible information that the goods have been produced in whole or in part by forced labour or human trafficking.

Additionally, since November 20, 2023, all PSPC Standing Offers and Supply Arrangements for goods that have been issued, amended, or refreshed include anti-forced labour clauses.

As such, all of CED contracts for goods resulting from the use of these tools include clauses relating to forced labour which set out, among other things, human rights and labour rights requirements. These clauses can be found in the policy notification 150 – Anti-forced labour requirements.

At CED, approximately **15,2%** of the annual value of our purchases were made through the use of Shared Services Canada (SSC) tools such as Standing Offers and Supply Arrangements.

Since November 2021, SSC has implemented anti-forced labour clauses in all goods contracts to ensure that it can terminate contracts where there is credible information that the goods have been produced in whole or in part by forced labour or human trafficking. Furthermore, as of November 20, 2023, all SSC Standing Offers and Supply Arrangements that have been issued, amended, or refreshed include anti-forced labour clauses as part of the general conditions for goods.

As such, all of CED contracts for goods resulting from the use of SSC's tools include PSPC's clauses relating to forced labour, which outline, among other things, human rights and labour rights requirements.

During this reporting period CED purchased goods under its own procurement authority in the following instances:

- Ink Cartridges (Under \$10K)
- Metal lockers (Under \$25K)
- Software (Under \$25K)

## Steps to prevent and reduce risks of forced labour and child labour

CED has integrated PSPC's Standard Contract Clauses including PSPC's Code of Conduct for Procurement and anti-forced labour clauses in our purchasing activities.

In addition, to prevent and reduce the risk of forced labour or child labour in our procurements, CED has used the following list of PSPC's tools:

- Standing Offers
- Supply Arrangements
- Anti-forced labour contract clauses

PSPC has developed awareness-raising guidance materials (including risk mitigation strategies) for suppliers, targeted towards high-risk sectors. The materials are progressively becoming available on the [canada.ca](https://www.canada.ca) website.

CED has used PSPC's awareness materials to guide our suppliers and safeguard our supply chains from forced labour and child labour. Furthermore, CED is referring its procurement personnel to these materials for awareness.

The April 1, 2023, amendments to the Treasury Board Directive on the Management of Procurement required several contracting authorities to incorporate the Code of Conduct for Procurement ("the Code") into their procurements. In compliance with these amendments, SSC has integrated the Code into its procurements.

To prevent and reduce the risk of forced labour or child labour in our procurements, CED has used the following list of SSC's tools to which the Code applies:

- Standing Offers
- Supply Arrangements
- Contracts

As a common service provider, SSC is responsible for ensuring that government departments have access to reliable, secure, and cost-effective IT infrastructure and solutions, including shared services related to networks and network security, data centres and Cloud offerings, digital communications, and IT tools.

CED also undertakes activities under its own procurement authority, independently of the aforementioned PSPC and SSC tools. During the previous fiscal year, we purchased goods under our own procurement authority in the following areas:

- Ink Cartridges (Under \$10K)
- Metal lockers (Under \$25K)
- Software (Under \$25K)

### **Policies and due diligence processes in relation to forced labour and child labour**

Effective April 1, 2023, amendments to the Treasury Board Directive on the Management of Procurement require contracting authorities from all departments listed in Schedules I, I.1 and II of the Financial Administration Act (with the exception of the Canada Revenue Agency) and commissions established in accordance with the Inquiries Act and designated as a department for the purposes of the Financial Administration Act to incorporate the Code of Conduct for Procurement (“the Code”) into their procurements.

The Code requires that vendors, providing goods to the Government of Canada and their sub-contractors, comply with all applicable laws and regulations. In addition, the Code requires vendors and their sub-contractors to comply with Canada’s prohibition on the importation of goods produced, in whole or in part, by forced or compulsory labour. This includes forced or compulsory child labour and applies to all goods, regardless of their country of origin.

Pursuant to the aforementioned amendments, our agency has continued to integrate the Code into our procurements, with a view to safeguarding federal procurement supply chains from forced labour and child labour. Contracts that our organization has awarded included the Code through the General Conditions for goods.

The prohibition on the importation of goods produced wholly or in part by forced labour came into force under the Customs Tariff on July 1, 2020. This amendment implemented a commitment in the Labour Chapter of the Canada-United States-Mexico Agreement (CUSMA) and applies to all imports, regardless of origin.

CED has implemented policies and due diligence processes to address risks related to forced and child labour. As part of these efforts, responsible business conduct has been embedded into its policies and management systems.

### **Parts of activities and supply chains carrying a risk of forced labour or child labour being used and steps taken to assess and manage those risks**

CED have identified risks to the best of its knowledge and will continue to strive to identify emerging risks.

In May 2021, a risk analysis of PSPC's supply chains was completed by Rights Lab, of the University of Nottingham (U.K.), to determine which goods were at the highest risk of exposure to human trafficking, forced labour, and child labour. The analysis, and subsequent report, elaborated key strategies for PSPC to leverage public spending power to raise awareness about forced labour in supply chains.

CED took note of the findings and recommendations of this risk analysis, and is monitoring related follow-action, including the implementation of the Policy on Ethical Procurement and the development of a human rights due diligence framework.

SSC is committed to ongoing risk identification, promotion and development of mitigation practices, and ongoing activities to raise awareness within its procurement community and engage with industry and strategic partners.

### **Measures taken to remediate any forced labour or child labour**

CED did not encounter forced labour or child labour used in relation to products purchased during the year. Therefore, no remediation measures have been taken.

### **Measures taken to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in the institution's activities and supply chains**

CED has not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in our activities and/or supply chains. As such, no measures have been taken to remediate the loss of income for the most vulnerable families.

### **Training provided to employees on forced labour and child labour**

While CED does not currently provide training to employees specific to address risk of forced labour and child labour, CED is taking the effort to have training material available and mandatory for employees making contracting or purchasing decisions, such as the Procurement Fundamentals course available through the Canada School of Public Service.

PSPC has developed an online self-paced course for procurement officers titled "Introduction to Ethical Procurement". The course is available to federal public servants on the Canada School of Public Service's learning platform as of November 2025. During the 2025-2026 fiscal year, all of CED's employees making contracting or purchasing decisions (3) have completed this course. CED now recommends that procurement personnel take the course.

### **Assessing effectiveness in ensuring that forced labour and child labour are not being used in activities and supply chains**

Currently, CED does not have established policies or procedures to assess the effectiveness of its efforts to prevent the use of forced labour and child labour in its activities and supply chains. Given that most purchases are made through PSPC and SSC using their contracting tools, such as SAs and SOs, the agency is closely monitoring the guidance and resources they develop. These resources will be integrated into the creation of CED's own assessment plan.