MOHCCN PHASE 2

BUY CANADIAN GUIDANCE FOR GRANT RECIPIENTS

Effective October 2026

1. Purpose

The Buy Canadian Policy establishes a new approach to federal procurement that prioritizes Canadian suppliers, content, and materials (https://canadabuys.canada.ca/en/buy-canadian-policy). While the Policy primarily guides how the federal government purchases goods and services, its principles are also being extended to federal grant and contribution programs to expand its impact and further support Canada's economy. To the greatest extent possible, MOHCCN project expenditures should prioritize Canadian Content and Materials to help support Canada's economy and supply chains.

2. What does Buy Canadian mean?

When purchasing goods or services for MOHCCN projects using Health Canada funding, recipients must first consider:

- **Canadian suppliers:** Businesses that have an established place of business and substantive operations in Canada. A Canadian subsidiary of a foreign-owned company may qualify if it meets the applicable criteria (including having a physical address in Canada, employing Canadian staff, and paying Canadian taxes).
- **Canadian goods and services:** Products made in Canada and services or other work performed in Canada.

3. What are grant recipients expected to do?

a. **Look for Canadian options first.** Consider Canadian suppliers and Canadian-made products or services before making a purchase.

b. **Compare value for money.** Consider price, quality, suitability, delivery, service and ongoing costs.

c. **Choose Canadian options where practical.** Where a suitable Canadian option meets the project's needs and offers reasonable value, prioritize it.

d. **Explain exceptions.** For purchases > $1,000, if a non-Canadian option is selected because no suitable Canadian option is available, or because another option offers a material advantage in cost, quality, functionality or delivery, briefly document the reason in the provided template ("Buy Canadian and Assets Purchased Template").

Projects are not expected to purchase goods or services that do not meet their needs simply because they are Canadian.

A non-Canadian supplier may be appropriate where:

- No suitable Canadian supplier or product is available.
- The Canadian option is significantly more expensive or does not meet project requirements.
- Technical, security, compatibility or delivery requirements make another option more appropriate.

5. What records should be kept?

Project teams should retain their usual purchasing records, including quotations, invoices and approvals. For purchases > $1,000, records should also indicate whether Canadian alternatives were considered and, where applicable, why a non-Canadian option was selected. The "Buy Canadian and Assets Purchased Template" must be submitted annually to TFRI in Q4 for all active projects.

6. Questions

If you are unsure whether a supplier or product qualifies as Canadian or if you have any questions about the application of this policy, please contact mohfinancialreports@tfri.ca before committing grant funds.