### Prospects for "Buy North American"? The Challenge of Government Procurement

Addressing Global Trade Challenge through Canada – United States Cooperation

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#### Plan

- 1. US international commitments in the field of public procurement
- 2. Buy American Act / Buy America Policy
- 3. Biden Executive order: Buy American Plan
- 4. Gateways to favourable treatment for Canadian suppliers
- 5. Options for Canada?



### The Canada - EU Procurement Relationship in the light of their International obligations



WTO Government Procurement Agreement (GPA)

Non-discrimination principle

- 1. National principal
  - Exception: modulation of the commitments in the Agreement
- 2. Most favored Nation
  - Exception: Free Trade Agreement (NAFTA / CUSMA)





#### **Buy American Act**

Act of 1933 which has evolved

Assets purchased by Federal agencies

Threshold: \$10K

Products covered: all

**Requirements**: Made in US AND 55% US inputs

Possible exemptions

Does not apply per se to services, states and cities but many apply it

#### **Buy America Policy**

Package of measures taken since 1982

Federal project funding

Threshold: depends on the organization \$100K

Products covered: iron, steel, etc.

**Requirements**: Variable depending on the

organization

Possible exemptions

Targets projects from state or municipal departments and agencies





Executive Order on Ensuring the Future Is Made in All of America by All of America's Workers

January 25, 2021



# Gateways to favourable treatment of Canadian suppliers

- 1. WTO Agreement on Government Procurement (GPA)?
- 2. CUSMA?
- 3. Waiver for Canadian suppliers?
- 4. Sectoral agreement?



# What options for Canada?

Statu quo

Renogociation of CUSMA

Deal for a waiver

Compliance analysis of Biden plan



Thank you!



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