

14. You said that under the terms of the arrangement that Canadian firms are allowed to compete freely for defense prime contracts and subcontracts in the U.S. However, isn't it true that Canadian firms are not eligible to bid on small business set-aside contracts?

Since the U.S.-Canada Defense Development/Production Sharing Arrangement does not have treaty status it can be subject to legislation passed by Congress. In the case of small business set-asides, Canadian firms are not allowed to bid as prime contractors. However, they may win subcontracts from U.S. firms that qualify for small business set-asides.

15. The "NOFORN" clause appears in some contracts and MIL spec documents. What action can be taken with regard to potential Canadian suppliers or subcontractors?

The NOFORN clause may be included in some contracts because of special security requirements or for national interests. If you find that use of a Canadian source would be beneficial we suggest that you consult with the government contracting officer to determine the rules in each case.

