

The True North, Strong and Free of Trade Barriers: New Inter-Provincial and Territorial Trade Agreement Set to Take Effect in 2026

Brenda C. Swick, Orlando E. Silva, Aditi Mallavarapu, Pasha Mabanza

December 23, 2025

On November 19, 2025, most federal, provincial, and territorial governments signed the *Canadian Mutual Recognition Agreement on the Sale of Goods* (CMRA). This landmark agreement was negotiated under the *Canadian Free Trade Agreement* (CFTA), with the aim of reducing internal trade barriers through mutual recognition of provincial and territorial regulations and requirements. More specifically, the CMRA ensures that a good lawfully sold in one province or territory can be sold across Canada without meeting additional regulatory requirements – unless a specific exception is listed by a government.

To date all federal, provincial, and territorial governments except Yukon and Nunavut have signed this CMRA. The CMRA will come into force as early as January 1, 2026, in Ontario and is to be implemented by all parties by June 30, 2026.

Purpose and Scope of the CMRA

The CMRA applies to goods listed in Chapters 25 to 97 of the Harmonized Commodity Description and Coding System. These chapters cover a broad range of goods including appliances, industrial machinery, vehicles, electronics, furniture, clothing, household goods, and more.

Notable product exclusions from the CMRA include certain types of goods like food, live animals, alcoholic beverages, cannabis, tobacco, and plants. Further, in addition to the [general exceptions](#) under the CFTA, municipal sales regulations are also exempted from mutual recognition under the CMRA.

The agreement is also limited in scope to the mutual recognition of regulations relating to the goods themselves. This means that the CMRA will not govern:

- How a good may be sold or the conduct of sellers of a good;
- Who is permitted to sell, purchase, possess, or use a good;
- Licensing, registration, or other authorization requirements to sell a good;
- Any contractual aspects of the sale of a good; or
- The circumstances in which a good may or may not be sold.

How it Works

The CMRA was implemented under the CFTA *Chapter Four – Regulatory Notification, Reconciliation, and Cooperation*. This agreement is meant to complement existing rights and obligations of parties under the CFTA. If a good complies with the regulatory requirements of one signatory of this agreement, it can then be sold in all other province or territories that have signed on without the need to meet additional requirements.

In addition to the previously-mentioned exceptions, provinces and territories are able to exempt specific products from mutual recognition. These products are outlined in Annex A of the CMRA along with the reason for their exclusion and the applicable parties that are being excluded from mutual recognition. Annex A and any periodic updates will be published on the [CFTA website](#).

For more information or advice on the agreement and how it may impact your business, please reach out to a member of our [International Trade Group](#).

This publication is a general summary of the law. It does not replace legal advice tailored to your specific circumstances.