

Canada 2026 Merger Control & FDI Update

Merger Control - Competition Act

2026 Notification Thresholds

SIZE OF TRANSACTION

\$93 million

The company being acquired's assets in Canada, or revenues from sales in, from, or into Canada generated from those assets

SIZE OF PARTIES

\$400 million

The combined assets in Canada or revenues from sales in, from, or into Canada generated from those assets of the parties and their affiliates

CCB FILING FEE: C\$88,690.45

Competition Bureau (CCB) Merger Review Stats (2024-25)

253

Reviews Commenced
▲ 26.5% YoY

5

Formal s.10 Inquiries
▲ 5x YoY

41%

Complex Classification
vs. ~25% hist. norm

3

s.11 Merger Orders

Average Merger Review Time (Days)

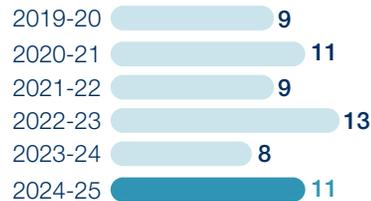
10.65 Non-Complex

43.66 Complex

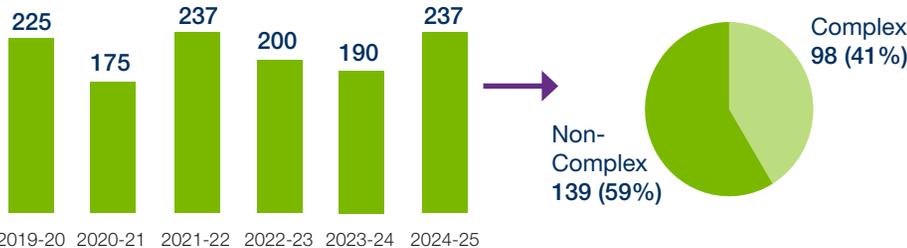
3 Consent Agreements (2024-25)

11

Supplementary Information Requests for concluded merger reviews (2024-25)



CCB Merger Reviews Concluded



Structural Presumptions

Post-Merger HHI Increase

>100 POINTS

Combined Market Share

HHI > 1800 or Market Share > 30% in relevant market

Presumption of Substantial Prevention or Lessening of Competition – burden shifts to merging parties to rebut on a balance of probabilities

- Repeals prior prohibition on finding SPLC solely based on concentration or market share
- Mirrors U.S. 2023 Merger Guidelines thresholds, but codified in statute (not guidelines)
- Thresholds may be updated by regulation

Statutory Review Timeline

Filing of Pre-merger Notifications

30 DAYS

Suspensory Waiting Period

Supplementary Information Request ("SIR")

60-90 DAYS

Review Outcome

30 DAYS

Suspensory Waiting Period

SIR Responses Complete

Investment Canada Act at a Glance (2024-25)

1,138

ICA Filings Received
4th yr above 1,000

102 Days

Avg. Net Benefit Review Duration
▲ 48% YoY

60.4%

Filings from U.S.
= 83.4%

Foreign Direct Investment - Investment Canada Act

Net Benefit Review

102 avg. review
duration
DAYS (2024-25)

45 Initial waiting period
(extendable by 30+30
DAY days with consent)

ISED Minister assesses 'net benefit' to Canada based on 6 statutory factors: economic activity, employment, productivity, innovation, competition, policy compatibility

National Security Review (NSR)

200 reviews can
take up to
DAYS 200 days

5 government can initiate NSR
up to 5 yrs post-closing if no
YEARS voluntary notification filed

30 investments subject to extended NSR in 2024-25

Cabinet can block, impose conditions, or order divestiture of any investment — including non-controlling minority stakes — deemed injurious to national security

Forthcoming *Investment Canada Act* and National Security Review Changes

1

Mandatory Pre-Investment Filing — Investors in prescribed sectors must notify before investing if it grants access to material non-public technical info, assets, or governance rights. Sectors: AI, quantum, robotics, aerospace, advanced energy, digital infra, life sciences.

2

Suspensory NSR Period — Transactions cannot close once NSR is initiated before the waiting period ends — effective 45-day suspensory period.

3

Expanded Ministerial Powers — ISED Minister gains authority to impose interim conditions during NSR (e.g., prohibit transfer of sensitive assets/IP), convertible to permanent undertakings.

4

Increased Penalties — New Cdn. \$500,000 fine for failure to file. Daily non-compliance fine increases from Cdn. \$10,000 to Cdn. \$25,000.

2026 *Investment Canada Act* Thresholds

Business Type	Acquisition Type	Investor Type	Review Threshold
Non-Cultural	Direct	WTO Investor (non-SOE; non-Trade Agreement)	Enterprise value exceeds Cdn. \$1.452 billion
		Trade Agreement Investor (non-SOE)	Enterprise value exceeds Cdn. \$2.179 billion
		WTO SOE Investor	Book value exceeds Cdn. \$551 million
		Non-WTO Investor	Book value exceeds Cdn. \$5 million
	Indirect	WTO Investor (any)	Not subject to review
		Non-WTO Investor	Book value exceeds Cdn. \$50 million
Cultural	Direct	Any Investor	Book value exceeds Cdn. \$5 million
	Indirect	Any Investor	Book value exceeds Cdn. \$50 million

- “Enterprise value” methodology varies by transaction structure (asset vs. share acquisition) and whether shares are publicly traded.
- “Book value” refers to assets on the most recent audited financial statements of the Canadian business.
- For indirect acquisitions of non-WTO investors, the Cdn. \$5M threshold applies where the Canadian business represents $\geq 50\%$ of the total book value of all entities acquired; otherwise the Cdn. \$50M threshold applies.

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