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# Multilateralising Regionalism on Government Procurement

Asako Ueno

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## Abstract

### Multilateralising Regionalism on Government Procurement

The potential multilateralisation of government procurement commitments in regional trade agreements (RTAs) presents many issues and challenges. To what extent do RTAs go beyond the 2012 revised Agreement on Government Procurement (GPA), and how do they differ among trading partners? This report surveys 47 RTAs in force with government procurement provisions where an OECD member is a party. Coverage commitments (entity coverage, thresholds, and goods and services coverage commitments) and procurement provisions including transparency mechanisms of government procurement in the OECD member RTAs are analysed in detail.

In general, non-GPA parties have achieved the general GPA level of market access commitments in their RTAs. In particular, RTA services coverage commitments involving non-GPA parties are more extensive than those of GPA parties. RTA market access commitments signed by the same party are fairly homogeneous while some heterogeneity is observed possibly due in large part to reciprocity (e.g. the sub-central government entity coverage and the level of thresholds). With regard to procurement provisions including transparency measures, most RTAs broadly track those of the GPA, and recent RTAs incorporate new elements introduced in the revised GPA as well. If RTAs are to be seen as the “testing ground” for further multilateral liberalisation, it is concluded that there is a large potential for further expanding the government procurement market. Having observed that the potential costs would seem to be relatively limited at least for the non-GPA parties reviewed in this study, it may well be that this means there is more scope for considering accession to the GPA.

*Keywords:* government procurement, public procurement, multilateralisation, regional trade agreements, RTAs, preferential trade agreements, free trade agreements, WTO, GPA

*JEL classification:* F13, F14, F15

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## Executive Summary

Building on the multilateralising regionalism project, this report surveys 47 regional trade agreements (RTAs) in force with government procurement provisions where an OECD member is a party. The main objective of this paper is to assess the extent to which RTAs go beyond the 2012 revised Agreement on Government Procurement (GPA)<sup>1</sup> and how they differ among trading partners. Such analysis would help identify the issues and challenges with respect to a potential multilateralisation of government procurement commitments in RTAs.

The first part of the report provides a detailed analysis of coverage commitments (entity coverage, thresholds, and goods and services coverage commitments) of government procurement in the OECD member RTAs. The second part examines procurement provisions including transparency mechanisms. The scope of parties' commitments is limited to what is specified in the text and parties' schedules in RTAs.

Entity coverage commitments consist of three types: central government entities, sub-central government entities and other entities. There appears to be mostly homogeneous commitments by the same party in the areas of central government entities and other entities. These other entities are subject to reciprocal adjustments in some cases. Reciprocity is observed predominantly in sub-central government entities' commitments. This might suggest the difficulty faced by regional or local governments possibly due to the concerns about impacts of liberalising the procurement market for local companies and economies or reflecting the differing jurisdictional reaches. This is further reflected in the fact that only about half of the parties' commitments cover sub-central government entities in RTAs.

Thresholds are minimum estimated values above which a government procurement contract is subject to non-discrimination and other government procurement rules under the GPA and RTAs. Thresholds for both the GPA and RTAs are specified for goods, services (except construction services) and construction services respectively for the three types of entities mentioned above. A large number of RTAs achieved better or at least the same level of thresholds compared to those under the GPA. This tendency is supported by the fact that both GPA and non-GPA parties have a strong preference for using certain thresholds based, in the majority of cases, on the GPA, North American Free Trade Agreement (NAFTA) equivalent or a combination of the two, and for ensuring reciprocal levels of thresholds among parties in the RTA for most cases. With regard to GPA parties, we have observed a certain number of "GPA-Plus" thresholds as well as a small number of "GPA-minus" thresholds.

Services coverage commitments are examined by looking at market access commitments in 155 sub-sectors of the Services Sectoral Classification List (MTN.GNS/W/120). Reciprocity stipulated in the schedules is reflected in this analysis. The level of commitments varies across services sectors, where construction and related engineering services and computer services have the highest level of commitments, and research and development services have the lowest level of commitments both under the GPA and RTAs. Financial services have a relatively low level of commitments under RTAs, in particular for the commitments by non-GPA parties. The main finding is that RTAs involving non-GPA parties have achieved a higher degree of commitments compared to GPA and RTA commitments by GPA parties. RTA commitments by the same party are fairly homogeneous across RTAs; however the

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1. When analysing RTA commitments, the revised GPA is used as the basis of comparison between the GPA and the RTAs, except where specifically noted that reference is with regards to the existing GPA.

financial services sector is often subject to reciprocal treatment. Although there would be a significant impact on services coverage if reciprocity were imposed in the strict manner we see in the analysis of GPA commitments, the use of reciprocity in RTAs has been relatively limited so far. In the case of the GPA, the average level of commitments without reciprocity is 16 percentage points higher than that with reciprocity.

All goods are in principle covered both in the GPA and the RTAs reviewed except those in relation to security and general exceptions. Also, there are specific goods, such as motor vehicles and construction material, subject to exemption. In addition, special considerations for small and medium-sized enterprises (SMEs) are observed both in GPA and RTAs commitments. In total, 32% of the parties' commitments in RTAs reviewed in this study contain set-asides for SMEs.

With regard to government procurement provisions, World Trade Organization (WTO) disciplines on government procurement are widely extended to non-GPA parties. Even in the cases of RTAs between non-GPA parties, GPA provisions are used as a model for such rules. That is, most RTAs cover not only general principles such as national treatment and prohibition of offsets, but also include key procedural rules including transparency measures. On the other hand, some differences in procurement procedures are consistently found in some non-GPA parties' RTAs, in particular for time periods for submission of tenders, time periods for publication of award information and information provided to parties. In summary, we can conclude that there is a significant level of convergence between RTA procurement provisions and those under the GPA.

Most of new elements introduced in the revised GPA, such as anti-corruption measures, are also covered by nearly half of the RTAs reviewed. By analysing the number of selected new GPA elements contained in each RTA over time, it turns out that recent RTAs include more new elements. On one hand, this result suggests that the revised GPA text has been used for RTA negotiations to a considerable extent. On the other hand, some of the new elements, such as ensuring integrity in procurement, have existed in RTAs even before the revised GPA text was put on the table. Therefore, it is safe to say that RTA negotiations and GPA negotiations have affected each other, resulting in a convergence of procurement procedures between RTAs and the GPA.

It should be noted that in contrast with trade in services, where third-party MFN clauses are incorporated in about 60% of the RTAs reviewed, third-party MFN clauses are not found in the OECD member RTAs reviewed. This is presumably due to concerns about reciprocity. The limited availability of mechanisms supporting multilateralisation in RTAs means that additional efforts, such as the enlargement of GPA membership, are necessary for multilateralising regionalism in the field of government procurement.

If RTAs are to be seen as the “testing ground” for further multilateral liberalisation, we can conclude that there is a large potential for further expanding the government procurement market. However, any such potential will not necessarily mean further GPA enlargement. Based on our observations in this study, the following questions arise: why do RTA market access commitments in government procurement, in particular for services coverage, tend to be more extensive than those for the GPA? Why does the large potential of non-GPA parties shown in their RTA commitments not lead to rapid GPA enlargement?

With regard to the first question, the systemic issues relating to how negotiations are conducted in the GPA and RTAs might be of relevance. Concerning the second question, potential benefits and costs that are involved in accession to the GPA may matter. It should be noted that in practice it is hard to implement procedural rules on a preferential basis, therefore it is possible that the best RTA commitment becomes the *de facto* level of liberalisation. As a result, RTA commitments can indirectly benefit GPA parties and other non-GPA parties regardless of whether they are formally multilateralised under the GPA. In the end, of course, this is a matter of political will and judgement of overall economic benefit as to whether non-GPA parties will accede to the GPA. However, having observed that the potential costs would seem to be relatively limited at least for the non-GPA parties reviewed in this study, it may well be that this means there is more scope for considering accession to the GPA.



## I. Introduction

Over the last two decades, the number of regional trade agreements (RTAs) has grown rapidly, and recent RTAs increasingly include provisions on government procurement. While some studies have examined government procurement related measures across RTAs (Anderson *et al.*, 2011a; OECD, 2003), this study will take an in-depth look at the possible relationship between RTA provisions and the evolution of the World Trade Organization (WTO) disciplines. It will then assess the opportunities for the multilateralisation of government procurement disciplines through RTAs and the enlargement of the WTO Agreement on Government Procurement (GPA) membership.

Government procurement is related to the wide range of goods and services purchased by governments as well as public entities on the central and sub-central levels. Such purchases are estimated as representing 14-20% of a country's gross domestic product (GDP) (Audet, 2002), even though this figure was calculated about 10 years ago and no updates have been made available since then. With the globalisation of the world economy, it is not surprising that RTAs increasingly incorporate disciplines on government procurement, whether they are detailed or limited in nature.

Building on the work which began in 2009, the Trade Committee's multilateralising regionalism project has been systematically examining the implications of the rapid development and expansion of RTAs for the multilateral trading system. As foreseen in the 2011-12 PWB, government procurement is the next thematic area for analysis in this series.

The first General Agreement on Tariffs and Trade (GATT) disciplines on government procurement (the Tokyo Round Government Procurement Code) were adopted in 1979 and came into force in 1981. The current WTO Agreement on Government Procurement (hereinafter referred to as "GPA 1994"), which was adopted in 1994 and entered into force in 1996, expanded coverage to include sub-central and other government entities such as utilities, and services such as construction services. The GPA is a plurilateral agreement, which means that not all members of the WTO are bound by it. Currently, the GPA's membership is limited to 15 parties (counting the European Union and its 27 member states as one party).<sup>2</sup> There are 26 WTO member observers and 10 of them are currently negotiating accession to the GPA.<sup>3</sup> In addition, Croatia, the Former Yugoslav Republic of Macedonia, Mongolia, Montenegro, the Russian Federation and Saudi Arabia have commitments to join the GPA in their respective WTO accession protocols.<sup>4</sup> The GPA encompasses provisions related to national treatment and non-discrimination for the suppliers of GPA parties. It also includes procedural and transparency provisions to ensure that any procurement covered under the Agreement is carried out in a transparent and competitive manner.

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2. As of the end of 2012, parties to the GPA comprise Armenia, Canada, the European Union with regard to its 27 member states; Hong Kong, China; Iceland; Israel; Japan; Korea; Liechtenstein; the Netherlands with respect to Aruba; Norway; Singapore; Switzerland; Chinese Taipei and the United States.
  3. As of the end of 2012, Albania, the People's Republic of China, Georgia, Jordan, Kyrgyzstan, Moldova, New Zealand, Oman, Panama and Ukraine are negotiating accession to the GPA. As to the list of observers, please see WTO website [www.wto.org/english/tratop\\_e/gproc\\_e/memobs\\_e.htm](http://www.wto.org/english/tratop_e/gproc_e/memobs_e.htm)
  4. See WTO website [www.wto.org/english/tratop\\_e/gproc\\_e/overview\\_e.htm](http://www.wto.org/english/tratop_e/gproc_e/overview_e.htm)

In March 2012, the WTO Committee on Government Procurement adopted the revision of the text of the GPA 1994 and annexes (hereinafter referred to as “GPA 2012”) containing commitments made for the expanded coverage valued at between USD 80 and 100 billion per year.<sup>5</sup> Since the value of the total market access commitments under the GPA was estimated at USD 1.6 trillion in 2008, representing 2.64% of the world's GDP,<sup>6</sup> the revised GPA commitments are still a limited but significant step forward. The revised provisions have been updated to take into account developments in government procurement practices, including the role of electronic tools in the process. Additional flexibility has been built into the Agreement, for example shortening time-periods for procuring commercial goods and services.<sup>7</sup> Special and differential treatment for developing countries has been more clearly spelled out, in a manner that would facilitate their future accession. The revised text also includes a number of provisions that tighten up the rules on promoting greater transparency, including provisions to fight corruption and conflicts of interest.

The successful conclusion of negotiations on revising the GPA is a stepping stone for further liberalisation of the government procurement market. Taking advantage of the recently revised plurilateral disciplines, it would be useful to compare the commitments under RTAs by both GPA parties and non-GPA parties, taking the evolution of WTO disciplines into consideration. However, it should be noted that the revised GPA is not yet in force; it will enter into force when two-thirds of the GPA parties have deposited their instruments of acceptance.

The main objective of this paper is to assess the extent to which RTAs go beyond the plurilateral WTO agreement with regard to government procurement and how they differ among trading partners. Such analysis would help identify the issues and challenges with respect to the potential multilateralisation of government procurement commitments in RTAs.

Based on the RTA database issued by the WTO<sup>8</sup> as of March 2012, this study covers RTAs in force with government procurement provisions where an OECD member is a party. To provide comparable analysis on market access and procurement rules in the same samples of RTAs, this study focuses on 47 OECD member RTAs that have both coverage commitments and detailed provisions on procurement rules (listed in Annex A). Out of the 47 OECD member RTAs, 11 agreements are between GPA parties, 29 agreements are between GPA parties and non-GPA parties, and 7 agreements are between non-GPA parties. This study does not include bilateral stand-alone agreements on government procurement such as the Australia-New Zealand, and Canada-US agreements.

This report will be structured as follows: The first section will provide a detailed analysis of the coverage commitments for government procurement in the OECD member RTAs. This section is mainly divided into three parts: entity coverage, thresholds, and goods and services coverage commitments. The next section will examine procurement provisions including transparency mechanisms. The last section will conclude.

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5. See WTO website [www.wto.org/english/news\\_e/news11\\_e/gpro\\_15dec11\\_e.htm](http://www.wto.org/english/news_e/news11_e/gpro_15dec11_e.htm).

6. See WTO website [www.wto.org/english/thewto\\_e/minist\\_e/min11\\_e/brief\\_gpa\\_e.htm](http://www.wto.org/english/thewto_e/minist_e/min11_e/brief_gpa_e.htm).

7. “Commercial goods and services” are defined in Article I (a) of the 2011 GPA as “goods and services of a type generally sold or offered for sale in the commercial market place to, and customarily purchased by, non-governmental buyers for non-government purposes.”

8. See WTO website [www.wto.org/english/tratop\\_e/region\\_e/region\\_e.htm](http://www.wto.org/english/tratop_e/region_e/region_e.htm).

## II. Coverage commitments

Not all government procurement is subject to non-discrimination obligations and certain procedural rules under the GPA and the RTAs. The scope of parties' coverage commitments is limited to what is specified in the text and the parties' schedules of coverage commitments in RTAs. Also, there are derogations or conditions attached to coverage commitments. These derogations include: (i) general and national security exceptions; (ii) derogations relating to a specific entity, product, services sector or other item; (iii) bilateral/reciprocal market opening; (iv) linkage to GATS specific commitments; (v) derogations relating to certain domestic policy considerations; and (vi) country-specific derogations (Anderson and Osei-Lah, 2011a).

In this section, we analysed 130 sets of commitments contained in 47 OECD member RTAs. The analysis on coverage commitments to assess the level of liberalisation of the RTAs will be composed of three parts: (i) entity coverage (central government, sub-central government, and other entities), (ii) thresholds, and (iii) coverage in regard to goods, services and construction services including the explicit coverage of build-operate-transfer (BOT) contracts and public works concessions. When analysing these elements, the issue of derogations and carve-outs in the coverage commitments will be addressed as well. For GPA parties, commitments under the GPA 2012<sup>9</sup> will be used as benchmarks to assess how preferential the commitments are under RTAs, both with GPA parties and with non-GPA parties. It should be noted again that coverage commitments under the GPA 2012 are still provisional and need to be ratified by the respective GPA parties. In cases where RTA commitments are interpreted to be based on the GPA 1994, this will be also discussed in the study. For non-GPA parties, the focus of the study will be mainly on the overall level of commitments and homogeneity of commitments among the RTAs signed by the same country.

### *Entity coverage*

Entity coverage consists of three types: central government entities, sub-central government entities and other entities. In light of the fact that non-discrimination treatment is provided only to procurement by entities covered in the agreements, it is important to assess entity coverage commitments in the RTAs.

Before going into the details of the analysis on RTAs, it is worth mentioning the improvements from the existing GPA to the revised GPA with regard to entity coverage commitments. The following is an indicative list of key additional entity coverage commitments in the revised GPA:

- The European Union, Switzerland and the United States expanded access to their central level entities;
- Canada offered access to procurement of all its provinces and territories;
- Japan included seven additional designated (self-governing) cities in its sub-central government entities;
- Korea offered access to local governments under three metropolitan cities and expanded access to other entities in the field of railway and urban transport.

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9. See GPA/113 of 2 April, 2012 available on the WTO website

In addition to the above, it should be also highlighted that Israel<sup>10</sup> committed to phase out its offsets schedules in the revised GPA.

Despite the importance of entity coverage, this is the most difficult area among the three to be compared across RTAs. Since a positive list approach covering only listed entities is used for entity coverage in most RTAs,<sup>11</sup> it is not easy to assess the extent to which each RTA offers entities without the information on the complete picture of government and state enterprises in a party, unless it is clearly mentioned that all entities are covered in the agreement. In addition, the way of filing the list of covered entities is not necessarily consistent among parties. For example, in the cases of the European Union and the European Free Trade Association (EFTA), the list of “other entities” deals with entities having activities in the fields of selected utility services and which are covered by special procurement legislation in these countries because of their dominant position or market power or special privileges – and this even though they are not necessarily state-owned. State enterprises that are vested with government authority and perform governmental functions may be found in Annex A or B depending on whether it is the central government or sub-central government that is the owner. Commercial companies that are state-owned are not covered by the GPA. In the case of Japan, entities listed in “central government entity” are limited to government branches, and public corporations are included in the list of “other entities”.

Furthermore, it should also be noted that there are limits to the accuracy in analysing entity coverage by comparing the number of entities in RTAs. In some cases, all subordinate entities are mentioned in the list of entities; while in other cases, a sentence “all the subordinate entities are included” is inserted at the end of the list. Thus, the number of entities in the lists does not necessarily show the entire number of entities covered. Also, the number of entities may increase or decrease because of reorganization or restructuring of governments and state enterprises. Therefore the change in the number of entities does not necessarily mean that entity coverage has expanded or contracted. Due to this, it should be noted that the analysis on the entity coverage in this paper has significant limits and it mainly focuses on the similarities between offers signed by the same party rather than their differences.

Table B.1 in Annex B gives a detailed analysis of the entity coverage commitments of each RTA. In the case of a GPA party, whether its commitment is “GPA-plus”, “GPA-equal”, or “GPA-minus” is also indicated where possible. In this study, the distinction between three levels of entities, that is “central government entities”, “sub-central government entities” and “other entities” are used as is shown in their schedules.

#### Central government entities

With respect to RTAs between GPA parties, the coverage commitments of central government entities are considered to be more or less at the same level as those under the GPA 1994 or 2012. Korea offered nine additional central government entities and the United States

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10. The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.
  11. The Chile-Central America agreement is the only case using a negative list approach for entity coverage.

added one more entity<sup>12</sup> in the Korea-US agreement than they cover under the GPA 1994.<sup>13</sup> The EFTA convention broadens the scope of its members' commitments under the GPA in relation to other entities; therefore respective GPA commitments on central government entities are applied to the EFTA members.

Under the RTAs between a GPA party and non-GPA party, GPA parties commit mostly the same level of coverage as is shown under the GPA. The United States covers almost the same entities as GPA 1994 (about 80 entities) with Australia, Chile, Morocco and Peru. On the other hand, the United States covers only about 50 entities under NAFTA, the US-Bahrain and US-Oman agreements, and does not offer the Department of Defense, the Department of Homeland Security and some federal corporations to Oman. The European Union, EFTA and Japan offer the GPA equivalent commitments to non-GPA parties. Korea's offer with Chile is considered to be more or less the same as that under the GPA and its offer with Peru is slightly less than what it covers under the GPA. Israel added one more entity<sup>14</sup> in the Israel-Mexico agreement than it covers under the GPA 1994.

Non-GPA parties appear to prefer homogenous commitments on central government entities. Chile offers 20 or 21 entities across its RTAs except the Chile-Central America agreement which is based on a negative list. It should be noted that Chile also includes regional government entities in the list of central level entities which means that these regional government entities are subject to the thresholds and other provisions for central government entities. Colombia offers 28 entities except to Mexico; and Peru covers 61 or 62 entities across its RTAs. Mexico's entity coverage commitments across its RTAs are basically the same (about 20 entities) as those under NAFTA. Under the recent agreements such as the Japan-Mexico and EFTA-Mexico agreements, Mexico includes newly founded institutions as well. Australia covers all federal departments and all other agencies covered by the Financial Management and Accountability Act 1997 under the US-Australia agreement.<sup>15</sup> Australia is considered to have the same level of commitments with Chile and Singapore as well. New Zealand offers 30 entities with Hong Kong, China and 37 entities under TPSEP, and covers "government bodies" which means departments and other bodies controlled by the parties under the New Zealand-Singapore agreement.

#### Sub-central government entities

Procurement by sub-central governments is larger than procurement by central governments. The OECD study (Audet, 2002) estimated that sub-central governments account for about 65% of the OECD total government procurement. Due to the significant role that sub-central governments play in government procurement, it is useful to analyse whether RTAs cover their procurement.

Sub-central governments are divided mainly into two levels: regional (states, provinces, prefectures etc.) and local (municipalities, cities etc.), although the GPA does not distinguish these levels. Under the revised GPA, the European Union, Iceland, Norway, and Switzerland

12. The Social Security Administration was additionally included, which is covered eventually by the GPA 2012.

13. See the USTR website [www.ustr.gov/about-us/press-office/fact-sheets/2009/april/summary-us-korea-fta](http://www.ustr.gov/about-us/press-office/fact-sheets/2009/april/summary-us-korea-fta).

14. Ministry of Religious Affairs was additionally included.

15. See the Australian government website [www.dfat.gov.au/fta/ausfta/guide/15.html](http://www.dfat.gov.au/fta/ausfta/guide/15.html)

cover all regional and local contracting authorities. Japan and Korea bind all regional governments and all self-governing cities, but other small cities are not included in their GPA commitments. Canada commits all provinces and territories at the regional level and the United States commits 37 states. However, local governments are not covered by either country. Israel does not have a regional level of government, and its commitments cover the three biggest municipalities and the Local Government Economic Services Ltd. which procures big tenders for all local government in a centralized manner. Singapore and Hong Kong, China do not have any sub-central governments.

Table 1 shows the coverage of sub-central government entities either by full or partial commitments in RTAs. About 61% of RTAs reviewed bind regional government entities and 48% for local government entities.<sup>16</sup> Reciprocity is found predominantly here. When one party does not cover sub-central government, the other party tends to exclude these entities even though they are included in other RTAs signed by the same party. However, there are several exceptional cases. For example, Chile offers all municipalities under the Australia-Chile and Chile-Mexico, US-Chile agreements although Australia, Mexico and the United States do not cover any municipalities.

**Table 1. Sub-central government entities coverage in RTAs**

	Regional level (n=105)	Local level (n=115)
Full coverage commitment	55.2%	35.7%
Partial coverage commitment	5.7%	12.2%
Unbound	39.0%	52.2%

In the case of RTAs between GPA parties, they have mostly the same level of commitments as those under the GPA. In the case of the Japan-Singapore, Korea-US agreements, they do not cover sub-central governments in their RTA commitments. However, these RTAs are considered to offer the additional benefit of lowering thresholds to a limited scope of entities in addition to what they offer under the GPA, and it is safe to assume that sub-central level government entities are covered by their GPA commitments. The EFTA convention only lists “GPA-plus” commitments in relation to other entities, therefore respective GPA commitments on sub-central governments are applied to the EFTA members.

Regarding RTAs between a GPA party and a non-GPA party, the European Union, EFTA, Japan and Korea have GPA 1994-equal commitments with non-GPA parties except for the EU-CARIFORUM, EU-Mexico, EFTA-Mexico and Japan-Mexico agreements which do not offer sub-central government entities reciprocally. Canada does not include sub-central government entities for any of its agreements with non-GPA parties including the recent Canada-Colombia agreement. The United States has GPA-equal commitments with Chile, while having lower coverage commitments with Australia (31 states), Morocco (23 states),

16. The total number of entity commitments in analysing sub-central government entity is less than 130 because some parties do not have sub-central level entities. The Japan-Singapore, Korea-US and EFTA are treated as non-applicable to sub-central governments in the dataset due to the reason mentioned in the paragraph.

Peru (9 states), and CAFTA-DR (23 states except with Honduras, 17 states with Honduras),<sup>17</sup> and having no coverage under NAFTA, the US-Oman and US-Bahrain agreements.

Concerning non-GPA parties, Australia commits all regional governments under the Australia-Chile and US-Australia agreements, but not under the Australia-Singapore agreement where Singapore does not have any sub-central government entities as its administrative units. Chile commits all regional government entities stipulated in the list of central government entities as mentioned above. Chile also covers all municipalities except in the Chile-Canada, Chile-Central America, Korea-Chile agreements and Trans-Pacific Strategic Economic Partnership (TPSEP) where municipalities are not covered by the other parties. New Zealand commits regional and local government procurement solely on a best endeavours basis with Singapore. Mexico does not cover any sub-central governments. Peru covers all regional governments and municipalities with the European Union, but covers only regional governments with Japan, Korea and the United States, and does not cover any sub-central governments with Canada reciprocally. Colombia covers all regional governments and municipalities with Chile and EFTA but does not cover any sub-central governments with Canada and Mexico reciprocally.

#### Other entities

With respect to RTAs between GPA parties, the coverage commitments of other entities are mostly the same as those offered under the GPA. However, there are some exceptions. The EFTA convention includes railway operators in addition to entities covered by the GPA. Under the Japan-Singapore agreement, Japan's offer is based on the GPA 1994 but excluding entities which have been privatised. Under the Korea-Singapore agreement, Korea additionally includes the chemical corporation but excludes the railroad corporation compared to the GPA 1994.

As to RTAs between a GPA party and a non-GPA party, Canada offers its GPA-equal commitments to non-GPA parties (Canada-Chile, Canada-Colombia, Canada-Peru). Japan's offer to Chile, Mexico and Peru is based on the GPA 1994/2012 but excludes tobacco, telecommunications and railway companies which have been privatised.<sup>18</sup> The United States offers limited coverage of other entities to non-GPA parties compared to that under the GPA (US-Australia, US-Bahrain, US-Chile, US-Morocco, US-Peru, CAFTA-DR). EFTA commits the GPA 1994-equal coverage of other entities with Mexico and Ukraine, but does not cover public authorities or undertakings in the field of electricity with Chile, Colombia and Peru. As Chile and Colombia do not offer entities in electricity services, this treatment of EFTA can be interpreted as the reciprocal offer at least for them. The European Union offers GPA 1994-equal commitments to Mexico. However, it limits its coverage to public authorities or undertakings in the field of maritime, inland port and airports to Chile reciprocally. The EU-CARIFORUM does not cover any entities other than central government. Korea has the same commitments as those under the GPA 1994 with Peru, and includes additional undertakings which have activities in airports, maritime and inland ports with Chile on a

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17. The United States includes the state of Puerto Rico under the US-Peru agreement and CAFTA-DR, and includes the state of Georgia under the US-Australia agreement. These states are not included in the United States' commitments under the GPA.
  18. Under the GPA, withdrawal of an entity is allowed when the government control or influence over the entity has been effectively eliminated, but any other party can make any objection to the proposed withdrawal of commitments.

reciprocal basis. Israel has limited coverage to Mexico by excluding entities in the field of urban transport. Singapore does not cover other entities under TPSEP.

Concerning non-GPA parties, Australia covers about 30 entities with the United States and Chile but does not cover these entities reciprocally with Singapore. Chile offers either 10 port entities (with Colombia, Japan, Mexico) or 11 airport and port entities (with Australia, Canada, the European Union, EFTA, Korea, and the United States). However, Chile does not offer any entities under TPSEP. Mexico's coverage of other entities is more or less the same as NAFTA which includes entities in the fields of electricity, telecommunications, railroad, oil, postal and airport services although Mexico offers less than what is offered under NAFTA to the European Union, Israel and Nicaragua. Colombia offers about 10 entities with Canada, Chile, and EFTA, whereas it offers 30 entities to Mexico. Peru offers about 20 entities including those having activities in the fields of electricity, postal services, ports, airports and drinking water across its RTAs. New Zealand does not cover other entities under TPSEP, and the agreements with Singapore and Hong Kong, China.<sup>19</sup>

This section has examined three types of entity coverage commitments in RTAs. As mentioned in the outset of this section, it is difficult to compare the level of entity coverage commitments among RTA parties due to limited information. Nonetheless, there appears to be mostly homogeneous commitments by the same party in the areas of central government entities and other entities. These other entities are subject to reciprocal adjustments in some cases. Reciprocity is observed predominantly in sub-central government entities' commitments. This might suggest the difficulty faced by regional or local governments presumably due to concerns about the impacts of liberalising the procurement market for local companies and economies or reflecting the differing jurisdictional reaches. When a local government has specific jurisdictional authority, a central (national) government may find it difficult to secure, through consultation or negotiation with that local body, its agreement to international government procurement commitments undertaken by the central government. This is further reflected in the fact that only about half of the parties' commitments cover sub-central government entities in RTAs.

### ***Thresholds***

Thresholds are minimum estimated values above which a government procurement contract is subject to non-discrimination and other government procurement rules under the GPA and RTAs. Thresholds for both the GPA and RTAs are specified for goods, services (except construction services) and construction services respectively for the three types of entities as mentioned in the previous section, namely central government entities, sub-central government entities and other entities.

Before moving on to the analysis on RTA thresholds, it is worth touching upon the state of play on GPA thresholds. With regard to GPA commitments on the level of thresholds, the revised GPA offers the following improvements from the GPA 1994:

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19. Under the New Zealand-Singapore agreement, procurement by non-governmental bodies in the exercise of powers delegated by central, regional or local governments or authorities is committed on a best endeavours basis.



- Israel lowered its threshold of construction services for the central government entities from 8 500 000 Special Drawing Rights (SDR) to 5 000 000 SDR after a transition period of five years;
- Japan lowered its thresholds of goods and services for the central government entities from 130 000 SDR to 100 000 SDR;
- Korea lowered its thresholds of goods for other entities from 450 000 SDR to 400 000 SDR and included new thresholds for additional sub-central government entities covered under the GPA 2012.

Table 2 summarises the thresholds for selected GPA parties under the revised GPA. This shows that the most common thresholds among GPA parties for goods and services are 130 000 SDR for central government entities, 200 000 SDR for sub-central government entities and 400 000 SDR for other entities. The most common threshold for construction services is 5 000 000 SDR for all types of entities. As shown in Table 2, some differences in the level of thresholds are observed among GPA parties.

**Table 2. Summary of GPA thresholds (SDR) for selected GPA parties**

	Central government entities		Sub-central government entities		Other entities	
	Goods and services	Construction services	Goods and services	Construction services	Goods and services	Construction services
European Union, Iceland, Norway, Switzerland, Hong Kong, China, Singapore <sup>1</sup>	130 000	5 000 000	200 000	5 000 000	400 000	5 000 000
Canada	130 000	5 000 000	355 000	5 000 000	355 000	5 000 000
Israel	130 000	8 500 000 <sup>2</sup> 5 000 000 <sup>2</sup>	250 000	8 500 000	355 000	8 500 000
Japan	100 000	4 500 000 450 000 <sup>4</sup>	200 000	15 000 000 1 500 000 <sup>4</sup>	130 000	4 500 000 <sup>3</sup> 15 000 000 <sup>3</sup> 450 000 <sup>4</sup>
Korea	130 000	5 000 000	200 000 <sup>5</sup> 400 000 <sup>5</sup>	15 000 000	400 000	15 000 000
United States	130 000	5 000 000	355 000	5 000 000	250 000 USD <sup>6</sup> 400 000 <sup>6</sup>	5 000 000

1. Singapore and Hong Kong, China do not have any applicable thresholds to sub-central government entities because they do not have any sub-central governments.
2. 8 500 000 SDR is applied for the first 5 years and 5 000 000 SDR is applied from the 6<sup>th</sup> year.
3. 4 500 000 SDR is applied for Japan Post in Group A and entities in Group B. 15 000 000 SDR is applied for other entities in Group A.
4. For architectural, engineering and other technical services.
5. 200 000 SDR is applied for entities in Group A and 400 000 SDR is applied for entities in Group B.
6. 250 000 USD is applied for entities in List A and 400 000 SDR is applied for entities in List B.

Source: Author's tabulation based on GPA/113 of 2 April 2012 available at the WTO website.

In this study, we examine 130 parties' schedules of RTA thresholds in 47 RTAs. To begin with, Figure 1 gives the overall picture of RTA thresholds to see the range of variation of thresholds: one chart is for goods and services (on the left), and the other chart is for construction services (on the right). Each chart has three columns (central government entities,

sub-central government entities, and other entities), and all RTA thresholds corresponding to each of these entity categories are mapped accordingly in each column. The data label of marker shows the level of thresholds in SDR committed under each RTA, and the size of the marker visualises the number of thresholds having the same level of thresholds in SDR. In cases where thresholds are committed in national currencies, these figures are converted into SDR for the purpose of comparison among RTAs. Annex C explains the exchange rates used for the conversion of local currencies in this analysis.

The number of data examined in each entity category in each chart varies from 80 to 131. This is because some parties have more than two thresholds applied to one entity category; other parties do not have applicable thresholds particularly for sub-central government entities due to the lack of entity coverage commitments for these entities.

Concerning thresholds for goods and services, the levels of thresholds vary from 0 to 155 000 SDR for central government entities, from 0 to 400 000 SDR for sub-central entities, and from 0 to 618 000 SDR for other entities. A large number of thresholds for central government entities are found either at the level of 130 000 SDR (49%) or 45 000 SDR (29%). In the cases of thresholds for sub-central government entities, most thresholds are observed either at the level of 200 000 SDR (61%) or 355 000 SDR (26%). Finally, values of thresholds for other entities are the most widely spread out, and the largest set of thresholds is found at the level of 400 000 SDR (47%) and the second largest set is found at the level of 224 000 SDR (21%).

Figure 1. Variation of thresholds in RTAs

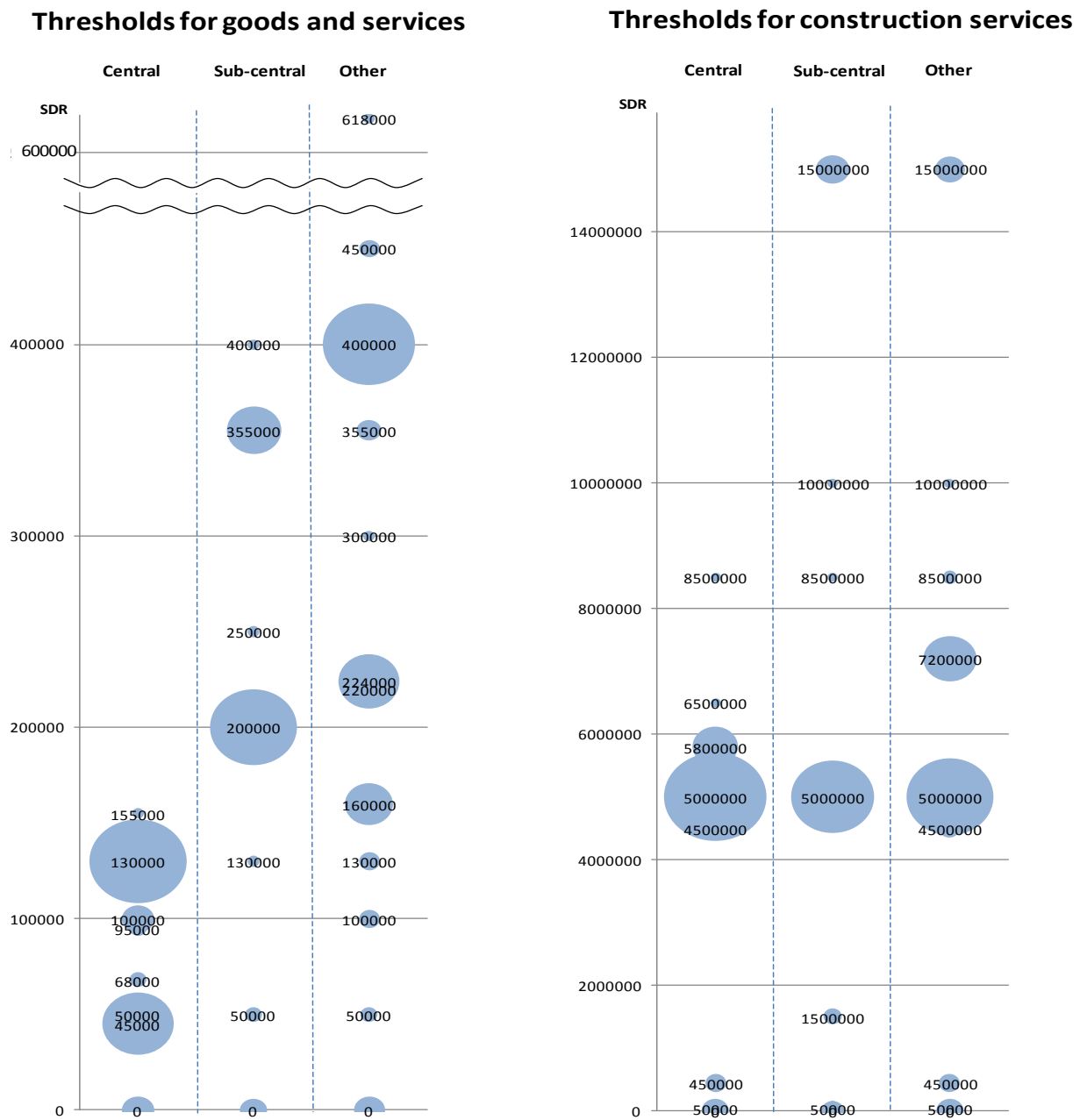


Table 3. Proportion of RTAs offering better or equal thresholds compared to the GPA

	Goods and services			Construction services
	≤ 13 000	≤ 20 000	≤ 400 000	≤ 5 000 000
Central government entities	99.2%	-	-	83.6%
Sub-central government entities	-	71.3%	-	85.2%
Other entities	-	-	96.9%	70.7%

With regard to thresholds for construction services, the levels of thresholds vary from 0 to 8 500 000 SDR for central government entities, from 0 to 15 000 000 SDR for sub-central government entities, and from 0 to 15 000 000 SDR for other entities. Unlike thresholds for goods and services, thresholds for construction services are concentrated at the level of 5 000 000 SDR for all types of entities (70% for central government entities, 73% for sub-central government entities, and 57% for other entities).

It should be emphasised that the most common levels of RTA thresholds obtained from the above analysis are the same as those of GPA thresholds. Table 3 further shows the proportion of RTAs thresholds whose values are below or equal to the most common levels of GPA thresholds mentioned at the outset of this section. With respect to goods and services, RTAs having the levels of thresholds equal to or less than those of GPA thresholds account for 99% for central government entities, 71% for sub-central government entities, and 97% for other entities respectively. Regarding construction services, this number is 84% for central government entities, 85% for sub-central government entities, and 71% for other entities respectively. This gives a general indication that a large number of RTAs offer better or at least the same level of access as compared to the GPA.

Next, we will take a closer look at the thresholds of each RTA to provide a more detailed picture. In the previous section, we observed RTA thresholds by decomposing threshold values by sectors and entities without taking into account bundling of these values as noted in each RTA schedule. In fact, each RTA has a set of thresholds encompassing covered entities, and the way of combining thresholds gives rise to certain insights.

On the basis of the RTAs reviewed in the report, a typology can be created with 4 categories. The first category is GPA based thresholds (Category I).<sup>20</sup> The second category is a combination of NAFTA equivalent and GPA based thresholds (Category II). This category is further broken down into three sub-categories depending on the degree of using thresholds based on NAFTA equivalents (GPA/NAFTA I, II and III). The third category is based on NAFTA equivalent thresholds (Category III) and the last category (Category IV) is the case where there is no threshold or a low level of thresholds applied to all covered entities. Table 4 summarises these categories and gives examples of agreements for each category and the number of parties' commitments corresponding to each category.

Table D.1 in Annex D gives a more detailed analysis of thresholds in each RTA and indicates its category of thresholds. In the case of a GPA party, whether its commitment is “GPA-plus”, “GPA-equal”, or “GPA-minus” is also indicated in the table.

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20. Category I includes the case where a GPA party offers lower thresholds to other GPA party only for limited types of entities in addition to their GPA commitments (e.g. Japan-Singapore, Korea-US).

Table 4. Typology of thresholds

		Explanation	Examples of agreements	Number of commitments
I	GPA	Based on GPA thresholds	- Most RTAs between GPA parties - Most RTAs involving EFTA, EU, Israel, Japan or Korea as a party - US-Peru - US-Morocco	76 (58.5%)
II	GPA/NAFTA I	Based on GPA thresholds, but NAFTA equivalent thresholds are used for goods and services for central government entities (and for other entities in some cases)	- Australia-Chile - US-Australia - US-Chile - US-Singapore - CAFTA-DR - Chile-Colombia	20 (15.4%)
	GPA/NAFTA II	Based on GPA thresholds, but NAFTA equivalent thresholds are used for construction services for central government entities and other entities	- US-Bahrain - US-Oman	4 (3.1%)
	GPA/NAFTA III	Based on NAFTA equivalent thresholds, but GPA thresholds are used for construction services for central government entities	- Canada-Chile - Canada-Colombia - Canada-Peru	6 (4.6%)
III	NAFTA	NAFTA equivalent thresholds	- NAFTA - RTAs involving Mexico as a party	15 (11.5%)
IV	Others	No/low thresholds applicable to all types of entities	- Chile-Central America - New Zealand-Singapore - Singapore-Australia	9 (6.9%)

The majority of RTAs between GPA parties reaffirm their respective GPA thresholds or set the same level of GPA thresholds. In some exceptional cases, however, RTA thresholds are lowered as compared to those under the GPA. For example, the Korea-Singapore, Korea-US, US-Singapore agreements lower thresholds for goods and services procured by central government entities to 100 000 SDR (Korea-Singapore), 100 000 USD (Korea-US), and 56 190 USD (US-Singapore) respectively. The Japan-Singapore agreement lowers their thresholds for goods and services procured by both central government entities and other entities to 100 000 SDR. Since most of these agreements<sup>21</sup> contain a provision that “nothing in this chapter/agreement shall be construed to derogate from either party’s rights or obligations with respect to the other party under the GPA”, these RTAs should be considered to offer additional benefits bilaterally in addition to what they offer under the GPA as already mentioned in the previous section concerning entities coverage.<sup>22</sup> No GPA-minus commitments are found in RTAs between GPA parties.

21. Except for the Japan-Singapore agreement. The US-Singapore agreement explicitly includes GPA-equal thresholds for sub-central government entities and other entities in the schedules.

22. As Anderson and Müller (2008) point out, this type of agreement lowering thresholds bilaterally among GPA parties raises the question as to whether those thresholds might be deemed to apply to all GPA parties by virtue of the MFN clause in the GPA which does not provide a general exclusion from the MFN principle for RTAs in contrast to the GATT and the GATS. In the case of Japan, the Japanese authority interprets its commitments that the procurement of 100 000 SDR or more but less than 130 000 SDR, which is covered by the Japan-Singapore FTA, are not subject to the rules of the GPA. This is because, according to the Japanese authority, the GPA provides that non-discrimination treatment shall be given “[w]ith respect to all laws, regulations, procedures and practices regarding

In the case of RTAs between a GPA party and a non-GPA party, all four categories of thresholds are observed. The European Union and EFTA have a GPA threshold for all of their RTAs with non-GPA parties. Japan's thresholds are GPA thresholds for the agreements with Chile, Mexico and Peru, but they are lowered for goods and services procured by central government entities and other entities for the agreement with Chile. The agreement between Chile and Japan, which came into force in 2007, could be considered to incorporate the Japan's revised thresholds under the GPA 2012 in advance. Korea also uses a GPA threshold for the Korea-Chile and Korea-Peru agreement except goods and services procured by central government entities where lower thresholds are applied. Under the Korea-Peru agreement, Korea also applies lower thresholds for goods and services for other entities, which are the same as what Korea commits under the revised GPA.

The United States uses both GPA and GPA/NAFTA thresholds with non-GPA parties, and, of course, a NAFTA threshold is used for the agreements with Canada and Mexico. First, the United States applies a GPA threshold for the US-Morocco and US-Peru agreements. Secondly, the GPA/NAFTA I threshold, which lowers thresholds for goods and services for central government entities and uses GPA thresholds for the rest, is used for the US-Australia, US-Chile and CAFTA-DR agreements. Some differences exist in the treatment of other entities between the first two agreements and CAFTA-DR. The US-Australia and US-Chile agreements have the list A entities subject to NAFTA equivalent thresholds in addition to the list B entities subject to GPA thresholds, while only GPA thresholds are applied to other entities under CAFTA-DR. However, this treatment is considered to be the result of different coverage of entities. Thirdly, the GPA/NAFTA II threshold, which uses NAFTA equivalent thresholds for construction services for central government entities and other entities and applies GPA thresholds for the rest, is applied to the US-Bahrain and US-Oman agreements. In any case, when the agreements cover sub-central entities, the United States uses GPA thresholds.

Canada applies the GPA/NAFTA III threshold to non-GPA parties (Canada-Chile, Canada-Colombia, Canada-Peru), which is based on NAFTA equivalent thresholds, but GPA thresholds are used for construction services procured by central government entities.

Singapore goes beyond GPA thresholds with Australia and New Zealand. The Singapore-Australia agreement does not have any thresholds and the New Zealand-Singapore agreement has single low-level thresholds of 50 000 SDR applied across all sectors and entities.

It should be noted that NAFTA has lower thresholds for goods and services and higher thresholds for construction services compared not only to the most common GPA thresholds but also to Canada and the United States' commitments under the GPA.<sup>23</sup> Therefore, when GPA/NAFTA threshold (Category II) is used for RTAs, NAFTA equivalent thresholds for goods and services lead to "GPA-Plus" element while NAFTA thresholds for construction services lead to "GPA-minus" element. As is shown in the typology, the GPA/NAFTA threshold has several sub-categories depending on the degree to which NAFTA equivalent thresholds are used, giving a complex picture in terms of assessing the level of thresholds

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government procurement covered by this Agreement," the GPA applies only to the procurement of not less than 130 000 SDR, which Japan agrees to procure under the GPA ("2010 Report on compliance by major trading partners with trade agreements - WTO, FTA/EPA and BIT-", p.925).

23. Except for sub-central government entities that are not included in NAFTA

compared to the GPA: the GPA/NAFTA I is GPA-plus, the GPA/NAFTA II is GPA-minus, the GPA/NAFTA III has both GPA-plus and GPA-minus elements.

Table 5 shows the summary of RTA thresholds of GPA parties. Out of 78 sets of RTA thresholds committed by GPA parties, either in the form of agreements between GPA parties, or the agreements between a GPA party and a non-GPA party, 69% of GPA parties' RTA thresholds are GPA-equal thresholds, 22% for GPA-plus thresholds (some of Category I, GPA/NAFTA I and Category IV RTAs), 6% for GPA-plus/minus thresholds (GPA/NAFTA III RTAs), and 3% for GPA-minus thresholds (GPA/NAFTA II RTAs).

**Table 5. Summary of RTA thresholds of OECD GPA parties**

	Number of GPA parties' thresholds (n=78)	% of GPA parties' thresholds
GPA-plus thresholds	17	21.8%
GPA-plus/minus thresholds	5	6.4%
GPA-minus thresholds	2	2.6%
GPA-equal thresholds	54	69.2%

Concerning the agreements with GPA parties, non-GPA parties offer thresholds generally at the same level of what the other GPA parties offer on reciprocal bases. The exceptions are RTAs between Mexico and GPA parties (EFTA-Mexico, EU-Mexico, Israel-Mexico and Japan-Mexico agreements). Mexico uses NAFTA thresholds while the other four GPA parties use GPA thresholds. CARIFORUM states have higher thresholds compared to those offered by the European Union at GPA-equal level (EU-CARIFORUM). Furthermore, under the EFTA-Colombia agreement, Colombia applies NATFA equivalent thresholds to goods and services procured by other entities and GPA thresholds for the rest, whereas EFTA uses GPA thresholds across all entities. In the US-Morocco agreement, Morocco has higher thresholds for goods and services procured by other entities than those of the United States, and in the Japan-Peru and Chile-Japan agreements, Peru and Chile have higher thresholds for goods and services procured by other entities than those of Japan. It should be also noted that due to the reciprocity concerns, Peru and Chile's thresholds for construction services for sub-central government entities and other entities are much higher than their common levels of thresholds in their RTAs for responding to Japan's high GPA thresholds for these entities. In sum, there appears to be a strong preference for reciprocity on the levels of thresholds among non-GPA parties vis-à-vis GPA parties, although Mexico prefers homogeneity of its offer throughout its RTAs.

With regard to the agreements between non-GPA parties, most countries set the thresholds at the same level as GPA or NAFTA even when neither of the parties are the members of the GPA or NAFTA. The Australia-Chile agreement uses GPA/NAFTA I threshold. Both countries have RTAs with the United States, and the thresholds applied for US-Australia, and US-Chile are used as well in the Australia-Chile agreement. In the case of the Chile-Colombia agreement, GPA/NAFTA I thresholds are used although both countries have RTAs with Canada whose thresholds are GPA/NAFTA III. This means that the Chile-Colombia agreement is more liberalised in terms of thresholds than its respective RTA with Canada because of its lower thresholds for construction services procured by other entities. Mexico uses NAFTA thresholds with other non-GPA parties as well (Chile-Mexico, Colombia-Mexico, Costa Rica-Mexico, and Mexico-Nicaragua). In these agreements, Chile, Colombia, Costa Rica and Nicaragua set the thresholds at the same level as NAFTA. Lastly,

the Chile-Central America agreement does not set any thresholds. Nevertheless, reciprocity in terms of the level of thresholds is observed in all agreement between non-GPA parties.

In this section, we have observed that a large number of RTAs achieved better or at least the same level of thresholds compared to those under the GPA. This tendency is supported by the fact that both GPA and non-GPA parties have a strong preference for using certain thresholds based, in the majority of cases, on the GPA, NAFTA equivalent or a combination of the two, and for ensuring reciprocal levels of thresholds among parties in the RTA for most cases. With regard to GPA parties, we have observed a certain number of “GPA-Plus” thresholds as well as a small number of “GPA-minus” thresholds. In addition, Japan and Korea apply lower thresholds in some agreements than those of the GPA which are eventually consolidated in the revised GPA.

### *Services coverage*

This section examines the services coverage of government procurement in RTAs. As to trade in services, several studies have examined the services schedule of commitments in RTAs in comparison to those under the GATS (Fink and Molinuevo, 2008; OECD, 2010). The study on services coverage of government procurement is important in its own right and also makes a contribution to assessing the overall services liberalisation in trade agreements in the future by taking into account the complementary nature of the GATS and the GPA. It should be remembered that government procurement is excluded from the core provisions of the GATS, while the GPA deals only with government procurement policies as such, and not with such other measures as trade restrictions, which can affect the ability of foreign enterprises to sell services to governments (Anderson and Müller, 2008).

To begin with, we will examine the services coverage commitments under the revised GPA. In the course of the analysis, the impact of reciprocity, which is underlying government procurement, and the improvements of services commitments from the GPA 1994 to 2012 will be addressed as well. Then, services coverage commitments in RTAs will be analysed in the same manner and compared with those of the GPA.

#### Methodology for analysing services coverage

The methodology used to analyse services coverage commitments in government procurement follows Fink and Molinuevo (2008) and OECD (2010) by looking at market access commitments in 155 sub-sectors of the Services Sectoral Classification List (MTN.GNS/W/120 and referred to as W/120 in this paper). Although these studies analyse schedules of commitments in services RTAs, these methodologies can be applied to analysing services coverage commitments in government procurement as well with the following modifications:

- The information is provided for each signatory of the GPA and the RTA, by sub-sector for market access commitments stipulated in the text and schedules. For each sub-sector, it is indicated whether there is no commitment (unbound), a partial commitment (scope of sub-sector is limited as compared to W/120 classification) or full commitment (scope of sub-sector is fully covered). Then we aggregate all GPA commitments and RTA commitments respectively;



- In the case of the GPA, each GPA party has one schedule but this should be considered as the maximum coverage it may offer. In order to take into account reciprocity, GPA commitments are analysed as a set of 210 bilateral commitments among GPA parties (each GPA party has 14 bilateral agreements applicable to the other GPA parties respectively). Reciprocity is reflected at the sub-sector level in each of the agreement.<sup>24</sup> In the case of ten GPA parties imposing a reciprocity clause<sup>25</sup> in their commitments, the level of commitments at the sub-sector level is adjusted to the extent to the other party's level of commitments when the former's offer has more sub-sectors than those of the latter's. For the five GPA parties who do not impose reciprocities, their offers remain the same regardless of the level of services coverage offered by the other parties. Then, we aggregate all 210 bilateral agreements as the GPA commitments;
- In the case of RTAs, we analyse 130 sets of schedules as stipulated in the RTA text and schedules. Since they are bilateral agreements, it is natural to assume that all necessary adjustments with regard to reciprocity, if any, are already reflected in their schedules. However, for the RTAs between GPA parties, the same methodology of dealing with reciprocity needs to be applied unless there are individual services coverage commitments specific to the RTAs.<sup>26</sup> The analysis of the GPA and RTAs is based on the commitments at the central government level.<sup>27</sup> It should be noted that some countries have derogations specific to sub-central government entities or other entities;<sup>28</sup>
- Among the derogations mentioned in the outset of this chapter, only derogations related to specific services are analysed in this section. In most cases, the derogations are stipulated

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24. In reality, it may not be the case that a party imposes reciprocity at sub-sector level, However, this paper presumes that reciprocity is imposed in the strict manner.

25. Under the GPA 2012, Canada, the European Union, Iceland, Korea, Liechtenstein, Norway, Singapore (only construction services), Switzerland, Chinese Taipei and the United States include a reciprocity clause on services coverage in their schedules of commitments. This reciprocity clause stipulates that a service listed in the annex is covered with respect to a particular party only to the extent that such party has included that service in its annex.

26. For example, the Canada-Israel agreement regards their GPA commitments as RTA commitments by stipulating that the rights and obligations of the Parties relating to government procurement shall be governed by the GPA. In this case, we interpret that Canada applies its reciprocity-adjusted GPA schedule to Israel, while Israel applies its unadjusted GPA schedule to Canada. This is because Canada includes a reciprocity clause in the GPA commitments, but Israel does not include this. Another example is the Korea-Singapore agreement which has specific services coverage commitments under this RTA other than their commitments under the GPA. In this case, we analyse the schedules of RTAs as stipulated in the text assuming that all necessary adjustments with regard to reciprocity, if any, are already reflected in their schedules.

27. In the case of the EFTA convention where the commitments are limited to other entities, services coverage commitments for other entities are analysed in this study. Nonetheless, the EFTA convention's services coverage commitments for other entities are same as those for central government entities under the GPA.

28. For example, under the GPA, Canada covers several professional services only for central government entities and other entities. Japan expanded its services coverage under the revised GPA but some of them (e.g. food and beverage serving services, management consulting services) are committed only for central government entities. The United States limits its services coverage of printing services to central government entities, and several states do not offer constructions services, and two states do not cover procurement of services.

in the specific annex of services coverage, but in some cases, they are also found in the provision of defining the scope in the text of government procurement chapter.<sup>29</sup> Some horizontal derogations are briefly touched upon later but linkages to GATS commitments are not treated in this study.

While this methodology has been widely used to assess services RTAs, this approach does have limitations. First, this methodology does not capture the complete picture of services coverage especially when a negative list approach is used. A negative list covers all services except those listed, thus capturing new services that are established, whereas a positive list covers only listed services. This study uses the W/120 as a boundary of scope of services, and the commitments outside the W/120 are not reflected. Therefore, the actual level of commitments could be much higher than what recorded in this study. The issue related to a positive/negative list approach will be addressed later in this paper.

Secondly, this methodology is based on the commitments stipulated in the schedules, which means a “bound” level of commitments. The actual applied level of liberalisation could well be more open. Thirdly, given the number of commitments reviewed, there is always the possibility of errors and misinterpretation, especially when countries use sector classification different from the W/120 classification or with no Central Product Classification (CPC) correspondence.<sup>30</sup>

Lastly, it needs to be clarified which services coverage commitments, whether based on the GPA 1994 or 2012, is used when analysing GPA parties’ offers unless there is a separate set of commitments applied only to RTAs. When an agreement only says that the rights and obligations of the parties shall be governed by the “GPA”, it is assumed that services coverage commitments under the agreement are automatically updated to those under the revised GPA. This is the case for the Canada-Israel, Canada-EFTA, EFTA-Singapore and EFTA-Korea agreements. On the other hand, if an agreement clearly stipulates that services coverage commitments are based on the GPA 1994, and requires consultation before amending the government procurement chapter in the agreement, we assume that the commitments are still based on the GPA 1994. This is the case for the EU-CARIFORUM (only for the European Union), EU|Korea, Korea-US, US-Singapore, Korea-Singapore and the agreements involving Japan with the exception of the Japan-Switzerland agreement which has a provision on automatic incorporation of the revised GPA.<sup>31</sup>

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29. For example, the EC-Chile agreement excludes financial services in the article 137 (Scope and coverage) and the EFTA-Chile agreement excludes financial services in the article 48 (Scope and coverage).

30. In order to minimise interpretation errors, supplementary information such as Federal Acquisition Regulation (FAR) of the United States was used in this study to fill the gap between W/120 classification and Common Classification System in NAFTA. See the “Acquisition Central” website [www.acquisition.gov/far/html/Subpart%2025\\_4.html](http://www.acquisition.gov/far/html/Subpart%2025_4.html)

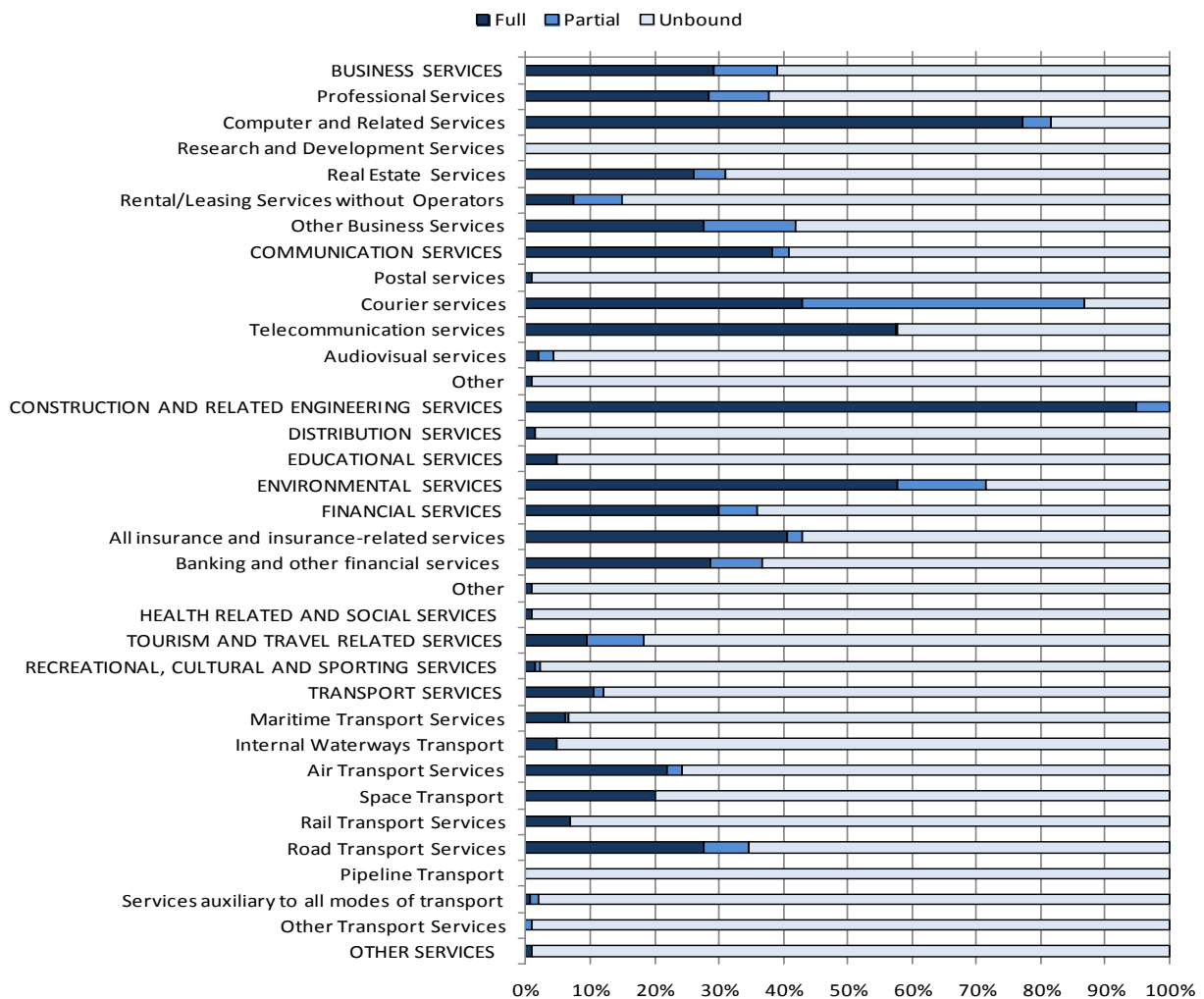
In addition, “Product and Service Codes Manual” by U.S. General Services Administration Office of Governmentwide Policy was also used. See the “Acquisition Central” website [www.acquisition.gov/PSC%20Manual%20-%20Final%20-%202011%20August%202011.pdf](http://www.acquisition.gov/PSC%20Manual%20-%20Final%20-%202011%20August%202011.pdf)

31. This also applies to the analysis on entity coverage commitments and thresholds.

## GPA commitments

First, we analysed the GPA 2012 commitment with the methodology mentioned above. Figure 2 gives the overall picture of GPA commitments in services taking into account reciprocity. This figure decomposes market access commitments in services by sector, looking at 11 broad sectors (capitalised in the Figure 2) defined in the W/120 classification. Within these broad sectors, business services, communication services, financial services and transport services are further broken down into sectors according to W/120 classification in order to shed light on some important sectors such as telecommunication services.

**Figure 2. GPA market access commitments by services sector (with reciprocity)**



This result shows that the level of commitments varies across sectors. By combining full and partial commitments, construction and related engineering services, courier services, and computer and related services, are the three sectors with the highest level of commitments (more than 80% of sub-sectors are offered in each service sector), while research and development services have the lowest (0%). Health related and social services, postal services, distribution services, recreational, cultural and sporting services, audio visual services, and educational services have also the low level of commitments (less than 5%). Within the

transportation services, road transport services and air transport services have higher commitments (more than 20%) than those of maritime, internal waterways and rail transport services (less than 10%).

Table E.1 in Annex E gives varying degrees of impacts of reciprocity by services sector. For this part, we also conducted the analysis of the GPA commitments without taking into account reciprocity as a reference point. In this case, the 15 sets of commitments are analysed as they are stipulated in the schedules. The results are available in column (c) of this table. If reciprocity is not taken into consideration, which means that the commitments are applied on non-conditional MFN bases among GPA parties, the average level of commitments without reciprocity is 16 percentage points higher than that with reciprocity. High impacts (more than 25 percentage points) are observed in space transport services and banking services, while there is relatively no impact in construction services. Since the commitments taking into account reciprocity are regarded as the greatest common denominator, one can assume that the higher heterogeneity in the level of commitments leads to the bigger impacts of reciprocity on the level of commitments.

Next, improvements of GPA commitments from the GPA 1994 to the GPA 2012 were analysed. To begin with, it is worth providing an overview of specific improvements made by GPA parties. The revised GPA expands its services coverage from the GPA 1994 including the following new commitments:

- Aruba added telecommunication services, courier services, services related to management consulting, building cleaning services, real estate services, printing and publishing services, adult education services, market research services, advertising services, packaging services, and hotel and similar accommodation services;
- Hong Kong, China included services incidental to forestry, logging and mining, sanitation and similar services, cleaning services of exhaust gases, and nature and landscape protection services;
- Israel added commercial courier services, insurance services, banking and investment services, adult education services, sewage and refuse disposal, and sanitation and similar services;
- Japan included educational services, food and beverage serving services, management consulting services, packaging services, motion picture and videotape production services, and expanded the scope of construction services by including construction projects under public-private partnerships;
- Korea added tourism and travel related services;
- Singapore included executive search services;
- Switzerland added tourism and travel related services, rental/leasing services relating to machinery and equipment, legal advisory services on foreign and international law, taxation services, packaging services, and consulting services incidental to forestry.

Table E.2 in Annex E decomposes the commitments under the GPA 2012 into 3 categories: same commitments under the GPA 1994, improved (from “partial” to “full”) or new

commitments (from “unbound” to “partial” or “full”) compared to the GPA 1994, and unbound commitments. In order to see the GPA parties’ willingness to further open the procurement market, reciprocity is not considered in this analysis. Courier services (13.3%), telecommunication services (12.0%), educational services (10.7%), and tourism and travel-related services (10.0%), show more than 10% of improved/new commitments, while there are no additional commitments in transport services, research and development services, postal services, distribution services, health related and social services, and recreational, cultural and sporting services. We do not observe much improvement in construction services, and there is no improvement in computer and related services, but this can be explained by the fact that GPA parties which already have a high level of commitments under the GPA 1994 cannot offer much more in the GPA 2012.

#### RTA commitments

First, we looked at the overall level of commitments across 47 OECD member RTAs including 130 sets of commitments in total. Table 6 provides the overall picture and breakdown by the type of RTA: (a) RTAs between GPA parties; (b) RTAs between a GPA party and a non-GPA party; and (c) RTAs between non-GPA parties.

**Table 6. Summary of RTA services coverage commitments**

	Full	Partial	Unbound
ALL RTAs (130 commitments)	53.4%	3.1%	43.5%
RTAs between GPA parties (33 commitments)	24.2%	5.8%	70.1%
RTAs between a GPA party and a non-GPA party (80 commitments)	61.1%	2.2%	36.6%
RTAs between non-GPA Parties (17 commitments)	73.8%	2.2%	24.0%
cf. GPA commitments under the GPA 2012 (reciprocity adjusted)	25.3%	5.1%	69.5%

The overall picture emerging from the dataset is that RTAs involving non-GPA parties have achieved a higher degree of commitments compared to GPA and RTA commitments by GPA parties. If RTAs are to be seen as a “testing ground” for further multilateral liberalisation, it would appear to be a sufficient level of services coverage commitments compared to those of GPA parties.

Table E.3 in Annex E gives the overall information on each RTA indicating the percentage of full, partial and unbound commitments. In the case of GPA parties, whether their commitments are “GPA-plus”, “GPA-equal” or “GPA-minus” is also indicated.

The first finding is that commitments by the same party are fairly homogeneous. Concerning RTAs between GPA parties, their commitments are generally based on what they offer under the GPA with the exception of the Japan-Singapore, US-Singapore and US-Canada (NAFTA) agreements. The Japan-Singapore agreement does not include construction, architectural and engineering services that are covered by their commitments under the GPA; however, this could be explained if the agreement is considered to be an add-on to the existing GPA commitments for further liberalising goods and services except construction services as mention in the previous section. Under the US-Singapore agreement, Singapore uses a negative list approach and offers more than what offered under the GPA. The commitments under NAFTA are slightly different from those under the GPA in particular for Canada using a positive list approach based on W/120 classification for the GPA and using a negative list approach based on the common classification system for NAFTA. Since there are

differences in the scope of covered services between the two classification systems, it is often the case that the coverage commitments based on one classification system appear to be different from the other, particularly when commitments are listed by these different approaches.

In the case of RTAs between a GPA party and non-GPA party, GPA parties' offers are based on either the GPA or NAFTA equivalent with some modifications, if any. The most common modifications exclude financial services. For example, the European Union and EFTA offer the GPA-equal commitments to their RTA partners except under the EU-Chile, EFTA-Chile, EFTA-Colombia, and EFTA-Peru agreements where financial services are excluded. Although the European Union and EFTA commit a large part of financial services under the GPA, these exemptions could be interpreted, at least for EU-Chile and EFTA-Chile, as reciprocal treatment to Chile's offers which do not include financial services.

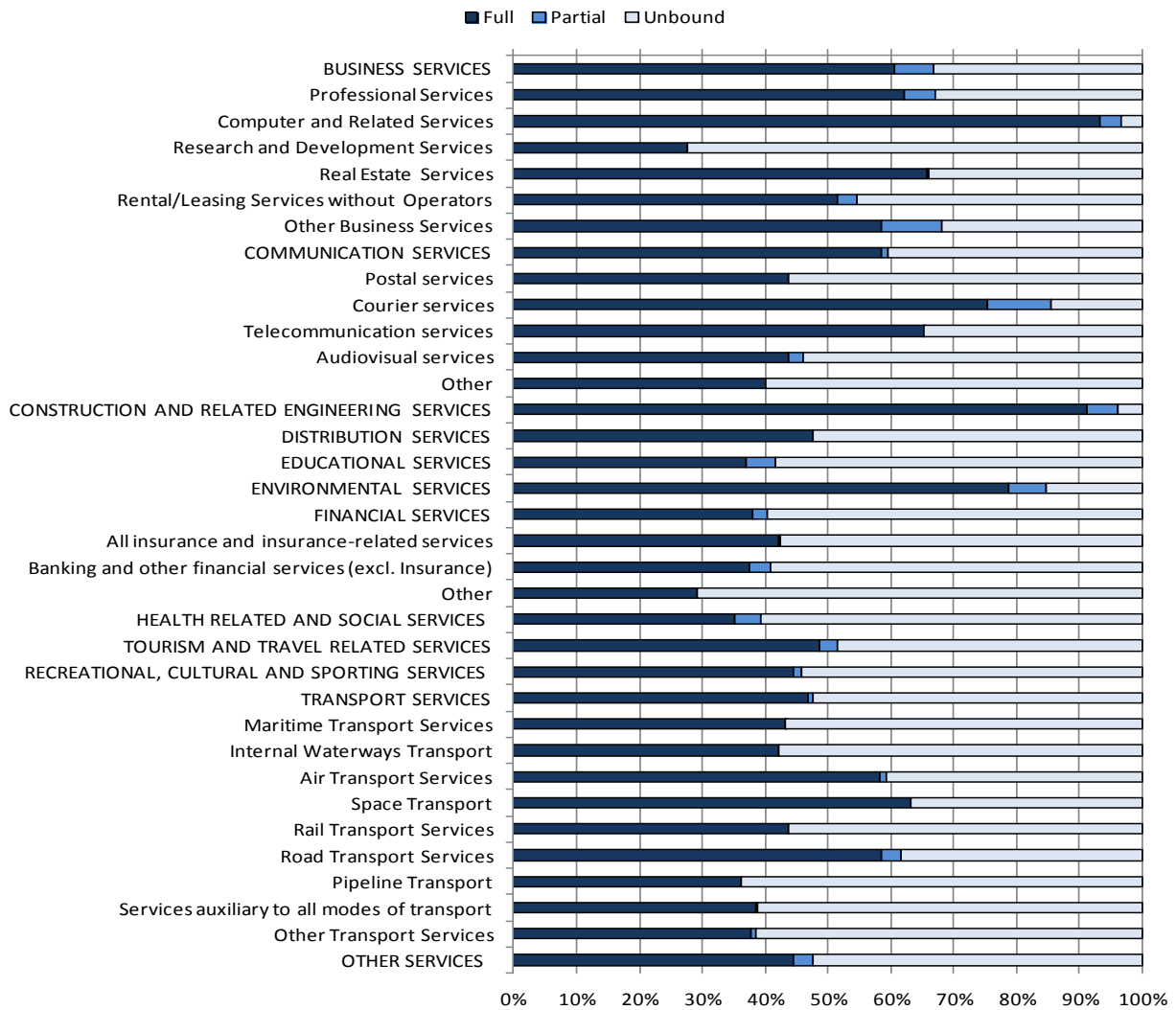
Korea offers GPA-equal commitments except financial services to Chile and Peru. The United States uses its NAFTA commitments for Australia, Bahrain, CAFTA-DR, Chile, Morocco, Oman and Peru. With Korea and Singapore, the United States' offer is based on the GPA commitments. Some differences exist between these commitments: the United States limits its services exclusion related to maintenance and repair services to ships under NAFTA, whereas whole repair services of transport equipment is excluded under the GPA. Another difference is that the United States commits the whole of tourism and travel related services under the GPA while lodging services are excluded under NAFTA. Canada uses its NAFTA commitments to Chile, Colombia and Peru, that is, it additionally offers education services except certification and accreditations for educational institutions to these countries compared to the GPA. In the same way as the United States, Canada's exemption related to maintenance and repair services is limited to ships under NAFTA. On the other hand, Canada excludes mining of oil and gas from construction services with Chile, Colombia and Peru compared to its GPA commitments. Lastly, Singapore offers all services to New Zealand and Australia whereas Singapore's GPA commitments do not cover all services.

With respect to non-GPA parties, homogeneity of the commitments by the same party is more widely observed. Chile offers the same commitments, all services except financial services, across its RTAs except for the Chile-Central America agreement where public educational services, public health and social services are also excluded. Peru offers the same services coverage commitments across its RTAs. Colombia offers the same to Canada, Chile, and EFTA by a negative list approach, except with Mexico where all services are covered. Mexico offers almost the same to Chile, the European Union, EFTA, Israel, Japan and under NAFTA, while dredging for construction services is exempted only for Chile and Japan. Mexico covers all services with Colombia and Nicaragua while provisionally excluding all services including construction services with Costa Rica. Australia commits all services with Singapore, and almost all services with the United States except government advertisement and plasma fractionation services. In addition to these exemptions, Australia excludes financial services with Chile, possibly due to reciprocal treatment. New Zealand commits all services with Singapore, and all services except research and development, education and welfare services under TPSEP and with Hong Kong, China.

The next finding is that the level of commitments under RTAs is considerably better than that under the revised GPA for most services sectors (10-40 percentage points higher) (Figure 3 below and Table E.4 in Annex E). The exceptions are courier services and

construction services that are less committed than the GPA,<sup>32</sup> and financial services that are more committed than the GPA but only by four percentage points. Special attention should be paid to financial services whose coverage is about 40% in RTAs at the same level as other less committed services sectors such as health and educational services mentioned later. There are indications that sensitivity exists in financial services in particular among non-GPA parties. When looking at RTAs between non-GPA parties, this is further supported by the fact that the coverage of financial services are observed in only about 20% of parties' commitments while that of other services are about 80% (see Figure E.1 in Annex E).

**Figure 3. RTA market access commitments by services sector**



Also, less divergence is observed in the level of commitments under RTAs across services sectors in comparison to those under the revised GPA. In the same way as the GPA, research

32. If we use the revised GPA commitments without incorporating reciprocity as a reference point, courier, telecommunication, construction and related engineering, environmental, and financial services are less committed in RTAs than the revised GPA.

and development services have the lowest level of commitments (less than 30%), and health related and social services, financial services, postal services, distribution services, recreational, cultural and sporting services, audiovisual services, transport services and educational services have also the low level of commitments (less than 50%). On the other hand, the level of coverage of these services except financial services is much higher than those under the GPA (by 30 to 40 percentage points), thus makes divergence narrower across services sectors under RTAs (see Figure 3 and Table E.4 in Annex E).

Finally, it is worth commenting on build-operate-transfer (BOT) contracts and public works concessions. The GPA provisions do not refer to the treatment of such contracts and concessions, but Korea added explicit BOT coverage in its commitments under the revised GPA, as did the European Union but in a more restrictive manner. In the case of RTAs reviewed in this study, it turns out that 42% of RTAs have the explicit coverage of BOT contracts and public work concessions, although its definition and scope vary from one agreement to another. Concerning agreements between GPA parties, the Korea-US, EU-Korea and US-Singapore agreements contain these elements. With regard to agreements involving non-GPA parties, the agreements signed by the United States except NAFTA, and those signed by Chile except the Canada-Chile, Chile-Japan and Chile-Mexico agreements, and other agreements such as the EFTA-Ukraine, Hong Kong-New Zealand and Peru-Korea agreements include such elements. Canada, Israel, Japan and Mexico have not included these elements in their agreements so far (see Table E.3 in Annex E).

As mentioned in the outset of this section, it would be useful to examine whether services coverage commitments are bound either using a positive list or a negative list. Table E.3 in Annex E shows an approach taken by each party's commitment. About 51% of RTA commitments reviewed are based on a positive list approach and 49% are on a negative list approach.<sup>33</sup> This result deserves attention because a negative list approach is more frequently used in RTAs compared to the GPA. In fact, in the case of GPA commitments, the United States is the only GPA party which favours a negative list approach. All US RTAs use a negative list. With regard to the other GPA parties applying a positive list approach to their GPA commitments, the EFTA, the European Union, Israel and Japan only use a positive list for their RTA commitments, while Canada, Korea and Singapore use both types of approach in their RTAs. Non-GPA parties, including Australia, Chile, New Zealand and Peru, prefer a negative list approach except Mexico which uses both approaches. This tendency towards using a negative list approach in the RTAs can explain to some extent why the level of RTA services coverage commitments reviewed is higher than that of the GPA. Nonetheless, it should be noted again that the commitments based on a negative list approach could be underestimated in this study due to the limitation of the methodology. Therefore the actual level of commitments under RTAs might be even much better.

In this section, we have examined the services coverage commitments across RTAs. The level of commitments varies across services sectors, where construction and related engineering services and computer services have the highest level of commitments, and research and development services have the lowest level of commitments both under the GPA and RTAs. Financial services have a relatively low level of commitments under RTAs in particular for the commitments by non-GPA parties. The main finding is that RTAs involving non-GPA parties have in fact achieved a higher degree of commitments compared to GPA and

33. The total number of services commitments used in this particular analysis is 128 because the Costa Rica-Mexico agreement does not include services coverage commitments.



RTA commitments by GPA parties. RTA commitments by the same party are fairly homogeneous across RTAs. However the financial services sector is often subject to reciprocal treatment. Although there would be a significant impact on services coverage if reciprocity were imposed in the strict manner we saw in the analysis of GPA commitments, the use of reciprocity in RTAs has been relatively limited so far.

### *Goods coverage*

It is worth briefly touching upon goods coverage to give a comprehensive picture of market access commitments. Under the revised GPA, a new annex specific to goods coverage was introduced in contrast to the existing GPA where goods coverage is stipulated in each annex of relevant entity coverage. Even so, there is no substantive difference in goods coverage between the existing and the revised GPA, since goods are covered in principle except otherwise specified. Most of the exemptions are those in relation to security and general exceptions including arms, ammunition or war materials. In addition, agricultural goods made in furtherance of agricultural support programmes or human feeding programs are excluded by Canada, the European Union, Iceland, Korea, Norway and the United States. In the case of sub-central level entities, some US states exclude specific products such as construction-grade steel, motor vehicles or coal, and some Canadian provinces also exclude construction material.

This tendency can also be seen in RTAs. Thus, all goods are covered in general under RTAs except defence-related goods. Agricultural products for agricultural support programmes or human feeding programmes are systematically excluded by Canada, the European Union, EFTA, Korea, Peru and the United States. Similar to the goods coverage under the GPA, there are also some cases in which specific goods are subject to exemption. For example, Australia excludes motor vehicles at all entity levels except for some states in the Australia-Chile and US-Australia agreements. In the case of the United States, some states exclude motor vehicles, construction grade steel and coal in the US-Australia, US-Chile, US-Morocco and US-Peru agreements, and the CAFTA-DR. Some EU member states exclude telecommunication equipments at the central government level under the EU-Chile, EU-Mexico and EU-CARIFORUM agreements.

### *General derogations and SMEs considerations*

As is shown in the outset of this paper, there are derogations which are not specific to each of coverage commitment examined so far. One of the most common examples is the security and general exceptions as mentioned in the previous paragraph which affect mainly goods coverage but also services coverage. Although it goes beyond the scope of this paper to examine all derogations, it is worth mentioning the derogations in relation to small and medium enterprises (SMEs).

Special considerations for SMEs in the field of government procurement are observed not only in some RTAs but also in GPA commitments. Canada, Korea and the United States contain set-asides for micro, small and medium-sized enterprises or minority-owned businesses in their GPA commitments and all of their RTAs consistently. Non-GPA parties such as Australia, Colombia and Peru also contain these set-asides almost consistently in their RTAs. It is not exactly that same but Japan also excludes contracts to be awarded to co-operatives or associations under the GPA and RTAs. In total, 32% of the parties' commitments in RTAs reviewed are subject to this type of exclusion concerning SMEs.

SMEs considerations are of great importance in some countries. In this regard, 17% of RTAs reviewed include a specific provision on SMEs. The RTAs involving Colombia, Mexico and Peru tend to have a provision to encourage and facilitate SMEs' access to government procurement procedures, and the Singapore-Australia agreement explicitly allows the parties to use government procurement to promote industry development including measures to assist SMEs.

It is important to encourage and facilitate participation of SMEs while avoiding discriminatory measures that favour only domestic SMEs. In this regard, a work program on SMEs<sup>34</sup> adopted under the revised GPA deserves special attention. This work program includes a transparency programme and an SME survey. The parties that maintain in their commitments specific provisions on SMEs, including set-asides, need to notify the Committee on Government Procurement of such measures and policies. Also, the Committee will conduct SME survey to identify best practices and encourage the parties to review other measures with a view to eliminating them or applying them to the SMEs of the other party. It is expected that the issue of set-asides and its possible trade-distorting nature as well as the issue of SMEs participation will be addressed through these transparency exercises.

### III. Procurement provisions

The next area of analysis relates to what procurement provisions in RTAs entail in comparison with GPA 2012 provisions and whether those procurement provisions are harmonized across OECD member RTAs.<sup>35</sup> GPA provisions set out rules and obligations to ensure a fair, transparent, equitable and non-discriminatory basis for interested and eligible suppliers to participate in the covered procurement, thus providing the basis for open and effective competition. The analysis comprises two parts and takes stock of following provisions: (i) general principles, and (ii) procedural rules and other transparency provisions. Special focus will be placed on the new elements introduced in the GPA 2012 in order to assess the possible relationship between the evolution of WTO disciplines and RTA government procurement provisions. In this chapter, the results of analysis on procurement provisions for each RTA are presented in Table F.1 in Annex F.

#### *General principles*

National treatment is the core WTO principle to ensure the equal treatment between domestic and foreign goods, services and suppliers. Given its fundamental importance, it is not surprising that all 47 OECD member RTAs covered in this study contain this principle. In the GPA context, the principle of non-discrimination is not limited to national treatment but also covers non-discrimination against a locally established supplier on the basis of the degree of foreign affiliation or ownership. With the exception of the New Zealand-Singapore agreement, non-discrimination against locally established suppliers is also addressed in RTAs reviewed in this paper. In addition, TPSEP and the Singapore-Australia agreement also include a provision on explicit prohibition of discrimination in favour of any enterprises in which a party is a shareholder. The US-Singapore agreement also explicitly prohibits exercising any control or

34. See “Decision of the Committee on Government Procurement on a Work Programme on SMEs” (Annex C of Appendix 2) in GPA/113 of 2 April, 2012

35. In addition to the GPA, some agreements refer or incorporate provisions of NAFTA or APEC non-binding principles on government procurement.

influence, including through any shares that it owns or controls or its personnel selections to corporate boards or positions, in the procurement conducted by government enterprises.

Another important principle is whether the agreements prohibit the use of “offsets” defined in the GPA as measures used to encourage local development or improve the balance-of-payments (BOP) accounts by means of domestic content, licensing of technology, investment requirements, counter-trade or similar requirements. A prohibition of offsets is of relevance in that it reinforces and complements national treatment and non-discrimination provisions (Anderson *et al.*, 2011a). This principle is also covered by most of the RTAs reviewed in this study except for the EU-CARIFORUM and the Singapore-Australia agreements. On the other hand, some RTAs allow derogations from the general prohibition of offsets in specific cases. For example, Mexico has a provision in its RTAs to allow an entity to impose a local content requirement up to certain limits for specific types of projects.

### *Mechanisms supporting multilateralisation*

The next element considered in the analysis is whether the agreements contain provisions on mechanisms moving things in a more multilateral direction, third-party MFN clauses and future negotiation clauses. Third-party MFN clauses stipulate that the preferential treatment granted in one agreement should in some cases be extended to parties in other agreements. Thus, they tend to limit discrimination among trading partners within RTAs by extending the better treatment of new RTAs to other parties of earlier RTAs. Future negotiation clauses are often used as safeguards against possible erosion by subsequent agreements, but they also provide opportunities to negotiate and do not automatically extend better access as third-party MFN clauses do.

In contrast with trade in services where third-party MFN clauses are incorporated in about 60% of the RTAs reviewed,<sup>36</sup> the use of third-party MFN clauses in government procurement is quite limited. These clauses are found only in the RTAs without coverage commitments,<sup>37</sup> which are out of the scope of this study, and no RTA covered in this study contains third-party MFN clauses. Instead, in order to provide some security, 55% of RTAs reviewed provide for future negotiation clauses when a party grants more comprehensive access to its procurement markets to a non-party of the RTA.

As we saw in the above sections, the concept of reciprocity is an underlying principle in the area of government procurement not only in the GPA but also in RTAs. This could explain why the use of third-party MFN clauses in government procurement is found less often as compared to trade in services agreements. In order to ensure reciprocity between parties in the specific RTA, it would be more preferable to have a chance to rebalance the both parties’ level of commitments through negotiation rather than to offer additional benefits to the other party non-conditionally and unilaterally through third-party MFN clauses. The limited availability of mechanisms supporting multilateralisation in RTAs means that additional efforts, such as the enlargement of GPA membership, are necessary for multilateralising regionalism in the field of government procurement.

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36. See OECD (2010).

37. For example, the Japan-Brunei Darussalam agreement provides a soft commitment of MFN, and the Turkey-Tunisia agreement offers a binding commitment of MFN (Anderson *et al.*, 2011).

### *Procedural rules and other transparency provisions*

In order to ensure open and competitive markets, enhancing transparency is of great importance in offering procedural rules to provide a level playing field for foreign suppliers. Article XVII of the GPA 1994 and Article XVI of the GPA 2012 provide specific transparency clauses with regard to procurement information and specification of contract labelled as transparency measures. However, transparency in government procurement should be widely scoped as several OECD studies suggested.<sup>38</sup> From the viewpoint of foreign suppliers, availability of information, predictability and reliability of decisions with the possibility of seeking remedies, and avoidance of corruption are important factors for fair competition in the market.

This study will take stock of procedural provisions and other transparency provisions for ensuring the following conditions facilitating an open and competitive market:

- The necessary information is available for all interested and eligible suppliers to participate in the related procurement procedures including the use of electronic means;
- The criteria used for specification of goods and services to be procured, qualification of suppliers, and evaluation for deciding contract awards are set out in objective terms;
- Suppliers are given sufficient time to prepare and submit responsive bids;
- Participating suppliers are informed of the results of contract award decisions and an successful supplier has an opportunity to be provided with an explanation of the reasons why its bid was not selected;
- The supplier has the opportunity to seek a review of contract award decisions.

In addition, one of the more notable elements of transparency disciplines in RTAs as suggested in “Multilateralising Regionalism: Strengthening transparency disciplines in trade” (OECD, 2011), is the incorporation of anti-corruption measures. The same is true of government procurement in RTAs. Some RTAs explicitly spell out measures ensuring integrity in procurement procedures with the specific aim of preventing corrupt practices and avoiding conflicts of interest. This element is a new requirement under the GPA 2012. It would be useful to examine whether the agreements cover these anti-corruption related measures.

#### *Information on procurement system and opportunities, qualification and tendering procedure*

##### Information on procurement system and opportunities

Most RTAs incorporate provisions to require publication of government procurement legislation and any modifications to such legislation, and all RTAs require a procuring entity to publish a notice inviting interested bidders to submit tenders (notice of intended procurement). In contrast, the requirement for a procuring entity to publish a summary notice in one of the WTO languages is found in only 36% of the agreements reviewed, although this

38. See OECD(2002) and OECD(2011)

requirement was included in the GPA 1994. Besides the agreements between GPA parties, only the EFTA-Ukraine, Israel-Mexico, and Peru-Korea agreements contain this element.

In addition, 64% of RTAs include a provision to encourage procuring entities to publish a notice regarding their annual procurement plan (notice of planned procurement). This advance notice allows suppliers to prepare for upcoming tenders ahead of time. This element was introduced in the revised GPA, while the existing GPA only stipulates that sub-central government entities and other entities may use a notice of planned procurement as an invitation to participate.

#### Qualification criteria

Under the existing GPA, qualification conditions for participation in procurement are to be limited to those that are essential in ensuring that a supplier has the legal and financial capacities and the commercial and technical abilities to undertake the relevant procurement. In addition, the revised text of the GPA includes a new provision to prohibit imposing the condition that the supplier has previously been awarded one or more contracts by a procuring entity of a given party. Most RTAs covered in this study set out the general principle with regard to conditions for participation, and 64% of RTAs reviewed also include a ban on taking the award of a previous contract into their consideration as a condition for participation.

Moreover, the Mexico-Israel agreement prohibits imposing the condition that the supplier has prior work experience in the territory of that Party.<sup>39</sup> It also explicitly prohibits requiring the establishment of the supplier or service provider or his presence in the territory of the contracting entity, except where such establishment or presence is an essential and objective requirement for the performance of the contract to be awarded.

The revised GPA further enhanced transparency rules for selective tendering. Since the existing GPA does not require advance disclosure of the criteria for selecting suppliers to tender, it is pointed out that the discretion afforded to entities can be abused to favour particular suppliers by choosing only some suppliers to receive invitations to tender (Arrowsmith, 2011). The revised GPA addresses this issue by requiring a procuring entity to state in the notice of intended procurement any limitation on the number of suppliers that will be permitted to tender and the criteria for selecting the limited number of suppliers. Thirty-four percent of RTAs reviewed include this advance disclosure of the criteria, while 36% of agreements include the general provision based on the existing GPA to invite tenders from the largest number of suppliers and select the suppliers in a fair and non-discriminatory manner.

#### Evaluation criteria for contract award

With regard to evaluation criteria for contract award, the GPA sets out the basic principle that the award must be the most advantageous tender or the tender with the lowest price, based solely on the evaluation criteria specified in the notices and tender documentation. Although the rules for the award of contracts are for the most part the same between the GPA 1994 and 2012 (Arrowsmith, 2011), it is worth highlighting two amendments with regards to the

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39. The revised GPA allows using prior work experience as the condition for participation where essential to meet the requirements of the procurements.

prohibition on post-award contract and environmental consideration for technical specification.

The new provision of the prohibition on modifying an award contract is introduced by extending an existing provision of the GPA 1994 that option clauses shall not be used to circumvent obligations. This new reference to modification in general is potentially significant. This is because post-awards amendments to existing contracts can be abused to favour a particular supplier, thus have the effect of undermining the outcome of a competitive procurement (Arrowsmith, 2011). Fifty-three percent of RTAs reviewed include the provision on the prohibition on modifying an award contract.

Most RTAs have provisions on prohibiting preparing, adopting or applying any technical specifications or prescribing any conformity assessment procedures with the purpose or the effect of creating unnecessary obstacles to international trade. Along with the growing concerns about environmental issues, the revised text of the GPA clarifies that a procuring entity may, in accordance with this general principle, prepare, adopt or apply technical specifications to promote the conservation of natural resources or protect the environment. Forty-nine percent of RTAs incorporate this clarification on environmental considerations. In addition, the Korea-US and US-Peru agreements also clarify in the text that procuring entities may require a supplier to comply with labour related conditions such as minimum wages, hours of work and occupational safety and health.

#### Use of information technology

As OECD (2002) points out, the use of information technology enables government procurement to become more transparent, more open and more efficient. Through use of the internet, the information on procurement opportunities can reach much wider suppliers including SMEs and wider participation in the bidding process leads to increased competition. This technological development is one of the most significant developments in government procurement to be reflected in the relevant agreements.

The revised GPA contains provisions of requirements for central government entities to publish a notice of intended procurement by electronic means through a single point of access. In the case of sub-central government entities and other entities, it is not mandatory but encouraged to do so while such notices need to be accessible through links in a gateway electronic site. Forty-seven percent of RTAs reviewed require an accessibility of notices through an electronic single point of access or gateway, while 15% encourage a procuring entity or a party to do so. Another 9% require or encourage to set up and maintain an electronic information system, or to grant access to suppliers of the other party in the agreement to relevant procurement information held on their respective databases.

In responding to the concerns that electronic means may create technical barriers to the access to the procurement information, the revised GPA requires a procuring entity to ensure that the procurement is conducted using information technology systems and software, including those related to authentication and encryption of information, that are generally available and interoperable with other generally available information technology systems and software. In addition, it is also required to maintain mechanisms that ensure the integrity and

the prevention of inappropriate access. These principles are fully or partially included in 43% of the agreements reviewed.<sup>40</sup>

Finally, an electronic auction is an on-line, real-time interactive bidding process which allows suppliers to successively present new prices or new values for quantifiable non-price elements to win the contract. The revised GPA introduced explicit rules on an electronic auction requiring a procuring entity to provide relevant information (e.g. automatic evaluation method) relating to the conduct of the auction. Twenty-three percent of the RTAs reviewed include such provisions to enhance transparency of electronic auction.

#### *Time periods*

One of the major problems experienced by suppliers in accessing the foreign procurement market has often been relatively short time periods to prepare for the tendering (Arrowsmith, 2011). Minimum time periods for the tendering process are aimed at ensuring opportunities for effective participation by all interested parties. The GPA sets 40 days as minimum standard time period between the date of publication of intended procurement and the finale date for the submission of tenders in the case of open tendering. In general, longer time periods allow sufficient time for suppliers to prepare and submit responsive tenders.

Most RTAs set the time periods regarding submission of tenders; Table 7 shows that time periods under the RTAs vary from 10 to 40 days. Sixty-eight percent of RTAs reviewed have the same level of time periods as required in the GPA, while 19% of RTAs set the time period less than 30 days, and 6% of RTAs do not set any deadlines but require “adequate” time periods. The other 6% do not require any time periods. It should be noted that these short/no time periods are observed in RTAs involving non-GPA parties, and this treatment is consistently held across RTAs signed by the same non-GPA party. It may be the case that these parties currently implement these short/no time periods for submission of tender domestically in their procurement regimes; therefore they have difficulties to adopt longer time periods in their RTAs which may require domestic reforms in procurement systems. In relation to time periods, 53% of RTAs also incorporate the further flexibility of time periods, such as shortening time-periods for procuring commercial goods and services, which was introduced in the revised GPA.

**Table 7. Standard time periods for submission of tenders**

Time periods	% of OECD member RTAs
No less than 40 days (GPA=)	68.1%
No less than 30 days	10.6%
No less than 10 days	8.5%
Adequate time periods (no specific deadline)	6.4%
No time periods	6.4%

40. Thirty percent of the RTAs reviewed include the same principles required by the GPA 2012, while another 13% include provisions to protect documentation from unauthorised/undetected alteration and to provide appropriate levels of security for data.

*Transparency on decisions on qualification and contract awards*

## Publication of award information

The requirement of publication of the outcome of tendering is provided by most RTAs. Forty-nine percent of RTAs include the maximum deadlines to make the contract award decisions to the public within 72 days, which is the same time period required by the GPA. The US-Australia, US-Bahrain, US-Oman and US-Peru agreements shorten this time period to 60 days. Thirty-eight percent of RTAs reviewed do not have any specific deadlines for the publication of the result of tendering. The latter RTAs are the ones involving non-GPA parties and this may also be the case as discussed above that domestic procurement procedures of these parties in place could not allow them to incorporate such time periods for publication.

**Table 8. Publication of award information**

Time period for publication of award information	% of OECD member RTAs
Not later than 60 days (GPA+)	10.6%
Not later than 72 days (GPA=)	48.9%
No specific deadlines	38.3%
No requirement for publication of award information	2.1%

## Information on the qualification decisions and contract award decisions provided to bidders

Most RTAs require a procuring entity to promptly inform any supplier that submits a request for participation in a procurement of its qualification decisions. Additional obligations are included in 68% of RTAs which require that the entity promptly provide the supplier with a written explanation of the reasons for its decision on the supplier's request. This additional requirement is introduced in the revised GPA.

Also, 96% of RTAs guarantee that participating suppliers are informed of the results of contract award decisions and an unsuccessful supplier has an opportunity to be provided with an explanation of the reasons why its bid was not selected. This is important in its own right in terms of ensuring the transparency of the contract award procedure, but also provides information for seeking domestic review.

## Information provided to parties

Another element which seems difficult to be incorporated by non-GPA parties is the provision of information provided to the other party. Sixty-six percent of RTAs include a provision that at the request of the other party, a party is required to provide promptly any information necessary to determine whether the procurement was conducted fairly, impartially and in accordance with the respective procurement rules. In the same way, as time periods for submission of tenders and time periods for publication of award information, this element may increase administrative burden on non-GPA parties' procurement scheme. This results in the relatively low rate of incorporation of this element, although this requirement has been embedded in the existing GPA.



### *Domestic review*

Domestic review procedures give suppliers opportunities to seek a review of contract award decisions. The availability of domestic review ensures the transparency of procurement procedures by introducing accountability. Given the importance of providing supplier with a means of recourse, it is not surprising that such review procedures exist in all reviewed RTAs although there are varying degrees of detail in the procedures stipulated in the text.

### *Ensuring integrity*

As stated in the preamble of the revised GPA, the integrity and predictability of government procurement systems are integral in the efficient and effective management of public resources and the performance of the parties' economies. In light of the explicit recognition of integrity as a GPA objective, the revised GPA incorporates a new provision regarding "conduct of procurement" (Article V.4) with the specific aim of preventing corrupt practices and avoiding conflicts of interest. This element has already been observed in NAFTA and a number of recent RTAs with the provision of "ensuring integrity in procurement procedures" even before the formal revision of the WTO disciplines in 2006. In total, 60% of RTAs incorporate the provision to fight against corruption either by "conduct of procurement" based on the GPA or by "ensuring integrity in procurement procedures" based on NAFTA.

### *Evolution of RTAs over time*

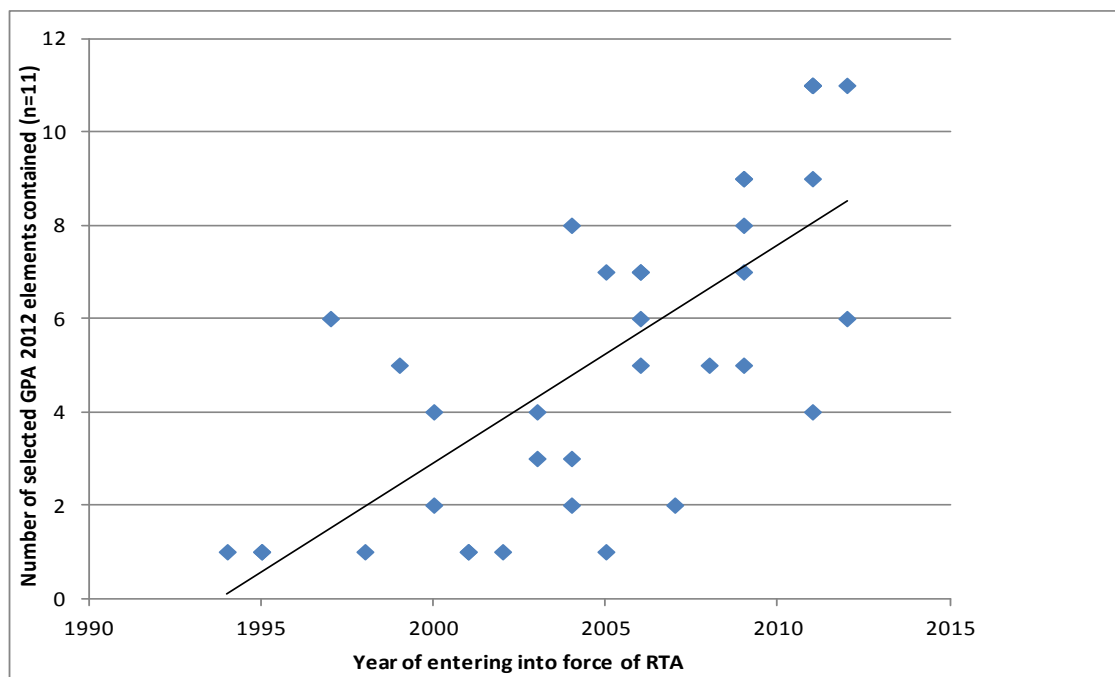
We have observed that procurement rules in RTAs reviewed generally include the key elements on procurement provisions including transparency based on the existing GPA, and almost half of RTAs incorporate the new elements introduced in the revised GPA as well. Finally, it is worth looking at the evolution of GPA and RTAs over time by focusing on new elements introduced in the revised GPA.

Figure 4 shows the number of selected new GPA elements contained in each RTA over time. For this analysis, 11 new elements<sup>41</sup> mentioned in this chapter are selected. Since it is assumed that agreements between GPA parties are already based on the GPA 2012 or will eventually incorporate it, only agreements between a GPA party and a non-GPA party, and agreements between non-GPA parties are reviewed here. This figure indicates that recent RTAs include more new elements. Since the revised text had been under discussion since the early 2000s and provisionally adopted in 2006, this result suggests that the revised text has been used not only for ongoing consultations related to the accession of new GPA parties<sup>42</sup> but also for RTA negotiations to a considerable extent. On the other hand, some of the new elements such as a provision to ensure integrity in procurement have existed in RTAs even

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41. The elements used in this analysis are the following: encouragement to publishing a notice of planned procurement, prohibition of imposing conditions of previous awards, requirement of advance disclosure of qualification criteria in selective tendering, information on procuring entity decisions, clarification of technical specification regarding conservation of natural resources, prohibition of modifying awarded contracts, further flexibility of time limits, prevention of corruption, principles regarding the use of information technology, accessibility of notices through an electronic single point of access or gateway, and electronic auctions.
  42. When the provisional text was adopted, the negotiators intended to use the revised text as the basis for consultations and other ongoing work relating to the accession of new parties to GPA. See GPA/89, 11 December 2006.

before the revised GPA text was put on the table. Although one needs to be cautious in determining the causal link between the two, but it is safe to say that RTA negotiations and GPA negotiations affect each other resulting in a convergence of procurement procedures between RTAs and the GPA as we observed in this chapter.

**Figure 4. Evolution of RTAs in terms of incorporating new GPA elements**



In this chapter, we examined the extent of harmonisation of government procurement provisions. We have observed that WTO disciplines on government procurement are widely extended to non-GPA parties. Even in the case of RTAs between non-GPA parties, GPA provisions are used as a model for such rules. That is, most RTAs cover not only general principles such as national treatment and prohibition of offsets, but also include key procedural rules including transparency measures. Most of new elements introduced in the revised GPA are also covered by nearly half of RTAs reviewed. On the other hand, some differences in procurement procedures are consistently found in some non-GPA parties' RTAs in particular for time periods for submission of tenders, time periods for publication of award information and information provided to parties. In summary, we can conclude that there is a significant level of convergence between RTA procurement provisions and those under the GPA.

#### IV. Concluding remarks

Since the first GATT disciplines came into force in 1981 (the Tokyo Round Government Procurement Code), the WTO disciplines on government procurement have evolved by expanding their coverage to include sub-central government and other entities, as well as services including construction services. On the other hand, the enlargement of GPA parties has been quite limited. Currently, there are 15 GPA parties but the majority of them are the original members of the GPA 1994. Since 2000, only three new parties have joined the GPA.

This paper surveys 47 OECD member RTAs to assess the extent to which RTAs go beyond the plurilateral WTO agreement with regard to government procurement and how they differ among trading partners. This study includes the RTAs involving seven observers of the GPA out of 26 observers in total, namely Australia, Bahrain, Chile, Colombia, New Zealand, Oman and Ukraine. In examining the coverage commitments and procurement provisions of the reviewed RTAs, the following observations can be made:

- In general, non-GPA parties have achieved the general GPA level of market access commitments in their RTAs. In particular, RTA services coverage commitments involving non-GPA parties are more extensive than those of GPA parties. A large number of RTAs achieved better or at least the same level of thresholds compared to those under the GPA.
- The level of services coverage commitments varies across sectors, where construction and related engineering services and computer services have the highest levels of commitments, while research and development services have the lowest level of commitments both under the GPA and RTAs. In contrast to the GPA, financial services have a relatively low level of commitments under RTAs in particular for the commitments by non-GPA parties.
- RTA market access commitments signed by the same party are fairly homogeneous while some heterogeneity is observed possibly due in large part to reciprocity. Reciprocal treatment is pronounced with respect to the sub-central government entity coverage and the level of thresholds. On the other hand, the use of reciprocity in services coverage commitments in RTAs has been relatively limited so far except financial services in contrast to the GPA where there would be substantial impacts on services coverage if reciprocity is imposed in the strict manner.
- With regard to government procurement provisions including transparency measures, most RTAs broadly track those of the GPA, and recent RTAs incorporate new elements introduced in the revised GPA as well. Despite a significant level of convergence of procurement provision between the GPA and RTAs, some differences are consistently observed in the RTAs signed by the same non-GPA parties.
- In contrast with trade in services where third-party MFN clauses are incorporated in about 60% of the RTAs reviewed, third-party MFN clauses are not found in the OECD member RTAs reviewed presumably due to the concerns on reciprocity. Instead, future negotiation clauses are more preferred in the government procurement of RTAs for ensuring comparative advantages against other parties. The limited availability of mechanisms supporting multilateralisation in RTAs means that additional efforts, such as the enlargement of GPA membership, are necessary for multilateralising regionalism in the field of government procurement.

If RTAs are to be seen as the “testing ground” for further multilateral liberalisation, we can conclude that there is a large potential for further expanding the government procurement market. However, any such potential will not necessarily mean further GPA enlargement. In fact, only New Zealand, Oman and Ukraine, out of seven GPA observers mentioned above, are currently negotiating accession to the GPA. Based on our observations in this study, the following questions arise: why do RTA market access commitments in government procurement, in particular for services coverage, tend to be more extensive than those for the

GPA? Why does the large potential of non-GPA parties shown in their RTA commitments not lead to rapid GPA enlargement?

With regard to the first question, the systemic issues relating to how negotiations are conducted in the GPA and RTAs might be of relevance. In the case of RTA negotiations, most agreements have broad scope including trade in goods, services, investment and intellectual property. Since an agreement is a total package of these sectors, bilateral agreements offering greater scope for trade-offs within the agreement enable more ambitious level of commitments in the field of government procurement. In the case of the GPA, its negotiations are outside the single undertaking of WTO negotiations due to its nature of a plurilateral agreement. Therefore, GPA negotiations are stand-alone negotiations without possibility of cross-sector deals with other on-going WTO negotiations.

In addition, a GPA party needs to negotiate with all the other GPA parties at the same time under the GPA talks. A GPA offer tends to be the one which fits for all other GPA parties, and the reciprocal adjustment mechanism works only for the direction of lowering the level of commitments. On the other hand, an RTA offer based on bilateral negotiation tends to be tailor-made for a specific agreement and this could make it more manageable for a participant to achieve more extensive commitments in general. These assumptions may explain some of the high-level commitments observed in this study but not all, since some parties prefer to have rather homogeneous commitments regardless of their RTA partners. Therefore it remains open for further discussion.

Concerning the second question as to why the large potential of non-GPA parties shown in their RTA commitments does not lead to rapid GPA enlargement, it might be related to the potential benefits and costs that are involved in accession to the GPA. As the WTO advocates, the most important benefit of becoming a member of the GPA is the potential trade gains based on legally assured access to the covered foreign procurement markets.<sup>43</sup> The recent study by Chen and Whalley (2011) assessed the potential impacts of the GPA on trade for 20 OECD members by using a gravity model with three additional explanatory variables (the GPA membership, the number of the GPA parties, and the government procurement values above threshold under the GPA). The result shows that the GPA membership has a positive impact on trade in both goods and services between these OECD members.

Nonetheless, this benefit could be partly obtained through RTAs,<sup>44</sup> in particular for non-GPA parties having bilateral agreements with most major GPA parties. As we have observed,

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43. In addition to this, the WTO mentions the following benefits of the GPA: Ensuring a transparent, competitive and predictable government procurement regime, contributing to good governance in this sector; keeping markets open in times of crisis where the temptation for protectionism rises; in the context of acceding candidates, facilitating internal policy coordination and harmonization in the government procurement sector; improved public, supplier and investor confidence in the government procurement system, potentially stimulating inbound foreign direct investment; enhanced competition for contracts, leading to improved value for money outcomes; facilitating a more effective and efficient use of public resources.

See WTO website [www.wto.org/english/thewto\\_e/minist\\_e/min11\\_e/brief\\_gpa\\_e.htm](http://www.wto.org/english/thewto_e/minist_e/min11_e/brief_gpa_e.htm).

44. Chen and Whalley (2011) included a dummy variable RTA in their model to control the influence on trade related arrangements other than the GPA. The results indicate that the dummy variable RTA only shows a positive impact on service export via cross-border supply and inward foreign affiliate sales based on statistical significance.

the level of market access commitments of RTAs reviewed in this study achieved general GPA level; therefore, the attractiveness of GPA membership may be reduced for such non-GPA parties if they do not see any value-added benefits of joining the GPA. Of course not all existing RTAs include a government procurement chapter or high-level commitments, thus a GPA accession may be a more feasible and cost-effective option to obtain such a benefit.

Perhaps the main value-added of the GPA is the WTO dispute settlement mechanism for enforcing the rules and commitments. Although many RTAs have bilateral dispute settlement mechanisms that resemble the WTO mechanisms, RTA dispute settlement seems to be used much less frequently than the WTO dispute settlement (Davey, 2006). It is also argued that the WTO decisions are viewed as more legitimate partly because the panels are typically from neutral states and the decisions are subject to appellate review, therefore less power-based than many RTA dispute settlement systems (Davey, 2006). In addition, even if a binding decision is reached in the context of RTA dispute settlement, it is often the case that RTAs do not have an effective enforcement mechanism. Therefore, it is pointed out that the enforcement mechanisms provided by the WTO dispute settlement can constitute a significant advantage of GPA membership (Anderson et al., 2011a).

Another benefit of the GPA, as stated by the WTO, is to ensure a transparent, competitive and predictable procurement regime. Accession to the GPA can be a valuable tool for enhancing efficiency in the acceding party's own procurement markets. In this sense, the GPA provides a common point of reference for rules and a benchmark for commitments and contributes to greater consistency across RTAs.

With regard to the potential costs involved in GPA accession, these include the direct costs of preparing an offer and negotiating with the existing GPA parties, the institutional costs related to the implementation of the GPA's requirements and the costs related to the adjustment of domestic firms to competition from foreign entities based in other GPA parties (Anderson and Osei-Lah, 2011b). Concerning the first point, GPA accession negotiations might have been expected to be relatively easier for non-GPA parties reviewed in this study. This is because they have already fulfilled a considerable number of requirements necessary for GPA accession through RTA negotiations especially with GPA parties. With respect to the second point, as we have observed, non-GPA parties use GPA provisions as a model for procurement provisions to a large extent, while some non-GPA parties do not include specific elements of procedural rules, such as time periods for submission of tender, as required by the GPA. These elements could be potential obstacles to joining the GPA which may require reforms in domestic procurement systems. The last point especially holds for the procurement at sub-central government entities. Although it might be true that local suppliers often benefit from sub-contracts with foreign suppliers as suggested by Anderson and Osei-Lah (2011b), the political concerns on local economies are not negligible as we have seen in times of economic crisis even in GPA parties.

A further question concerns whether the benefits exceed the costs of becoming a GPA party. In this regard, the recent developments of active negotiations on China's accession to the GPA, and Russian Federation's intention to join the GPA<sup>45</sup> would signal a real change in the current situation. Given the importance of an emerging market with its commercial opportunities, China and Russian Federation's possible accession to the GPA will increase the potential benefits of the GPA, which will presumably offer an additional incentive to other

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45. See WTO website [www.wto.org/english/news\\_e/news11\\_e/acc\\_rus\\_10nov11\\_e.htm](http://www.wto.org/english/news_e/news11_e/acc_rus_10nov11_e.htm)

non-GPA parties to join the GPA. In fact, Anderson *et al.* (2011b) estimated that the total value of additional market access commitments that would result from GPA accession by 29 WTO members is in the range of USD 380-970 billion annually, and China and Russian Federation alone constitute USD 113-289 billion and USD 42-107 billion respectively.

Lastly, it is worth touching upon the issue of implementation of the RTAs, although it is beyond the scope of this study. As mentioned in OECD (2011), in practice it is hard to implement procedural rules including transparency on a preferential basis. This argument holds for government procurement as well. Even with regard to market access commitments, it is possible that the best RTA commitment becomes the de-facto level of liberalisation. As a result, RTA commitments can therefore indirectly benefit GPA parties and other non-GPA parties regardless of whether they are formally multilateralised under the GPA. This may also explain why the large potential of non-GPA parties shown in their RTA commitments does not lead to rapid GPA enlargement.

In the end, of course, this is a matter of political will and judgement of overall economic benefit as to whether non-GPA parties will accede to the GPA. However, having observed that the potential costs would seem to be relatively limited at least for the non-GPA parties reviewed in this study, it may well be that this means there is more scope for considering accession to the GPA.

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### Annex A. OECD Member RTAs with Coverage Commitments on Government Procurement

RTA Name	Date of entry into force
Australia - Chile	06-Mar-09
Canada - Chile	05-Jul-97
Canada - Colombia	15-Aug-11
Canada - Israel	01-Jan-97
Canada - Peru	01-Aug-09
Chile - Colombia	08-May-09
Chile - Central America (Costa Rica, El Salvador, Guatemala, Honduras)	15-Feb-02
Chile - Japan	03-Sep-07
Chile - Mexico	01-Aug-99
Colombia - Mexico	01-Jan-95
Costa Rica - Mexico	01-Jan-95
Dominican Republic - Central America - United States Free Trade Agreement (CAFTA-DR)	01-Mar-06
EC - CARIFORUM States EPA	01-Nov-08
EC - Chile	01-Feb-03
EC - Mexico	01-Jul-00
EFTA - Canada	01-Jul-09
EFTA - Chile	01-Dec-04
EFTA - Colombia	01-Jul-11
EFTA - Korea, Republic of	01-Sep-06
EFTA - Mexico	01-Jul-01
EFTA - Peru	01-Jul-11
EFTA - Singapore	01-Jan-03
EFTA - Ukraine	01-Jun-12
EU - Korea, Republic of	01-Jul-11
European Free Trade Association (EFTA)	01-Jun-02
Hong Kong, China - New Zealand	01-Jan-11
Israel - Mexico	01-Jul-00
Japan - Mexico	01-Apr-05
Japan - Peru	01-Mar-12
Japan - Singapore	30-Nov-02
Japan - Switzerland	01-Sep-09
Korea, Republic of - Chile	01-Apr-04
Korea, Republic of - Singapore	02-Mar-06
Korea - US	15-Mar-12
Mexico - Nicaragua	01-Jul-98
New Zealand - Singapore	01-Jan-01
North American Free Trade Agreement (NAFTA)	01-Jan-94
Peru - Korea, Republic of	01-Aug-11
Singapore - Australia <sup>1</sup>	28-Jul-03
Trans-Pacific Strategic Economic Partnership (TPSEP)	28-May-06
US - Australia	01-Jan-05
US - Bahrain	01-Aug-06
US - Chile <sup>2</sup>	01-Jan-04
US - Morocco	01-Jan-06
US - Oman	01-Jan-09
US - Peru	01-Feb-09
US - Singapore	01-Jan-04

Note: The EC treaty and subsequent enlargement agreements are not included because of their different nature to apply EU procurement regime to EU member states.

<sup>1</sup> The amendments entering into force on 2 September 2011 are reflected in this study.

<sup>2</sup> The modifications of the government procurement annex based on the decisions by the fourth U.S.–Chile Free Trade Commission are reflected in this study.

## Annex B. Entity Coverage in OECD Member RTAs

Table B.1. RTA entity coverage

Agreement	Party	Year	Central Government Entities	Sub-central government entities		Other Entities
				Regional	Local	
Australia - Chile	Australia	2009	75 entities in 18 portfolios	6 states+2 territories (= all regions)	not covered	30 entities
Australia - Chile	Chile	2009	21 entities	53 provinces in 15 regions (= all provinces) (conditions for central government entities are applied)	346 municipalities (= all municipalities)	11 entities (airports & ports)
Canada - Chile	Canada	1997	81 entities (= GPA94 - 1 entity (Public Health Agency of Canada))	not covered	not covered	10 entities (GPA=)
Canada - Chile	Chile	1997	20 entities	51 provinces in 13 regions (conditions for central government entities are applied)	not covered	11 entities (airports & ports)
Canada - Colombia	Canada	2011	78 entities (GPA=)	not covered	not covered	10 entities (GPA=)
Canada - Colombia	Colombia	2011	28 entities (including legislative and some judicial branches)	not covered	not covered	10 entities
Canada - Israel	Canada	1997	GPA= (by reference)	GPA= (by reference)	GPA= (by reference)	GPA= (by reference)
Canada - Israel	Israel	1997	GPA= (by reference)	n.a.	GPA= (by reference)	GPA= (by reference)
Canada - Peru	Canada	2009	78 entities (GPA=)	not covered	not covered	10 entities (GPA=)
Canada - Peru	Peru	2009	61 entities	not covered	not covered	21 entities (national bank, electricity, postal, airport, port, oil, drinking water companies etc.)
Chile - Colombia	Chile	2009	20 entities	51 provinces in 13 regions (conditions for central government entities are applied)	346 municipalities (=all municipalities)	10 entities
Chile - Colombia	Colombia	2009	28 entities (including legislative and some judicial branches)	all departments	all municipalities	11 entities
Chile - Central America	Chile	2002	negative list: some councils, legislative and judicial branches, armed forces etc. are excluded.	covered	not covered	negative list: central bank and state-owned enterprises etc. are excluded.
Chile - Central America	Costa Rica	2002	negative list: Ministry of Public Security, Ministry of Interior and Police, councils, legislative and judicial branches etc. are excluded.	covered	not covered	negative list: public entities and companies, non-governmental public entities, duty free shops etc. are excluded.
Chile - Central America	El Salvador	2002	negative list: Ministry of National Defense, Civil Police Force, legislative and judicial branches, Directorate General of Radio and TV, Directorate General of Post Office, Port Committee, Hydroelectric Committee etc. are excluded.	covered	not covered	Negative list: central reserve bank etc. are excluded.
Chile - Central America	Guatemala	2010	negative list: Ministry of Defense, Ministry of Interior, legislative and judicial branches etc. are excluded.	covered	not covered	negative list: central reserve bank, state and municipal public enterprises etc. are excluded.
Chile - Central America	Honduras	2008	negative list: Ministry of Defense, Ministry of Security, Office of the President, some committees etc. are not covered.	covered	not covered	negative list: state-owned public companies are excluded.
Chile - Japan	Chile	2007	21 entities	51 provinces in 13 regions (conditions for central government entities are applied)	346 municipalities (=all municipalities)	10 entities (ports)
Chile - Japan	Japan	2007	GPA94= (by reference)	GPA94= (by reference)	GPA94= (by reference)	GPA 94 (by reference) - entities which have been privatised (railway, tobacco, telecommunication companies etc.) or have been dissolved or transferred

1. "n.a." indicates that these entities are not included but considered to be covered by their GPA commitments or do not exist.
2. In cases where RTA commitments are interpreted to be based on the GPA 1994, these commitments are indicated as "GPA 94 =", "GPA 94 +" or "GPA 94 -" in the table.

Agreement	Party	Year	Central Government Entities	Sub-central government entities		Other Entities
				Regional	Local	
Chile - Mexico	Chile	1999	20 entities	51 provinces in 13 regions (conditions for central government entities are applied)	346 municipalities (=all municipalities)	10 entities (ports)
Chile - Mexico	Mexico	1999	24 entities with subordinate entities (including all 19 ministries) (=NAFTA+2 entities (Secretaria de Seguridad Publica found in 2000 + Centro de Ingeniería y Desarrollo Industrial))	not covered	not covered	36 entities (airport service, telecommunication, postal, social security, oil, water, toll road, railway companies); similar to NAFTA
Colombia - Mexico	Colombia	1995	21 entities	not covered	not covered	29 entities (electricity, telecommunication, radio and TV, postal, railroad, maritime and internal waterway companies etc.)
Colombia - Mexico	Mexico	1995	22 entities (NAFTA=)	not covered	not covered	36 entities (NAFTA=)
Costa Rica - Mexico	Costa Rica	1995	24 entities	not covered	88 municipalities (=all municipalities) + 4 institutions	82 entities (water, electricity, railroad companies etc.)
Costa Rica - Mexico	Mexico	1995	22 entities with subordinate entities (NAFTA=)	not covered	not covered	36 entities (NAFTA=)
CAFTA - DR	Dominican Republic	2006	22 entities	31 provinces (=all provinces)	not covered	15 entities (List A)
CAFTA - DR	Costa Rica	2006	22 entities	not covered	81 municipalities (=all municipalities)	11 entities(List A), 2 entities(List B)
CAFTA - DR	El Salvador	2006	11 entities	not covered	25 municipalities (=not all municipalities)	55 entities (List A), 3 entities (List B)
CAFTA - DR	Guatemala	2006	35 entities	not covered	30 municipalities (=not all municipalities)	19 entities (List A)
CAFTA - DR	Honduras	2006	16 entities	not covered	142 municipalities (=not all municipalities)	10 entities (List A)
CAFTA - DR	Nicaragua	2006	15 entities	not covered	88 municipalities (=not all municipalities)	32 entities (List A)
CAFTA - DR	United States	2006	79 entities (GPA94 - 1 entity (Uranium Enrichment Corporation) + 1 entity (Pennsylvania Avenue Development Corporation which has been dissolved))	List A (except Honduras):23 states, List B (Honduras):17 states	not covered	6 entities (List A) + Rural Utilities Services (List B) (=GPA94 - 1 entity (Power Market Administrations of the Department of Energy in List A) - 3 entities (ports and the New York Power Authority in List B))
EU - CARIFORUM	European Union	2008	GPA94= (by reference)	not covered	not covered	not covered
EU - CARIFORUM	CARIFORUM	2008	Antigua and Barbuda 22 entities; the Bahamas 11 entities; Belize 18 entities; Dominica 12 entities; Dominican Republic 22 entities; Grenada 6 entities, Guyana 8 entities; Haiti 6 entities; Jamaica 22 entities; Saint Christopher and Nevis 3 entities; Saint Lucia 13 entities; Saint Vincent and the Grenadines 1 entity; Suriname 17 entities; Trinidad and Tobago 23 entities	not covered	not covered	not covered
EU - Chile	European Union	2003	GPA94=	GPA94=	GPA94=	GPA94 - (entities having activities in the fields of maritime, inland port, or airport only)
EU - Chile	Chile	2003	20 ministries with subordinate entities + all other central public entities including their regional and sub-regional subdivisions	51 provinces in 13 regions (conditions for central government entities are applied)	341 municipalities + all other sub-central public entities + all other entities operating in the general interest and subject to effective and managerial or financial control by public entities	11 entities (airports and ports) + all other public entities in relation to airports or ports
EU - Mexico	European Union	2000	GPA94=	not covered	not covered	GPA94=
EU - Mexico	Mexico	2000	18 entities (commissions and councils not subordinate to 18 ministries are covered by Annex 3; all ministries are included) NAFTA=	not covered	not covered	33 entities (29 entities (NAFTA- 7 entities) + 4 commissions and councils covered by Mexico's Annex 1 of other RTAs)
EFTA - Canada	Iceland	2009	GPA= (by reference)	GPA= (by reference) not applied to Canada	GPA= (by reference) not applied to Canada	GPA= (by reference)
EFTA - Canada	Liechtenstein	2009	GPA= (by reference)	GPA= (by reference) not applied to Canada	GPA= (by reference) not applied to Canada	GPA= (by reference)
EFTA - Canada	Norway	2009	GPA= (by reference)	GPA= (by reference)	GPA= (by reference) not applied to Canada	GPA= (by reference)

Agreement	Party	Year	Central Government Entities	Sub-central government entities		Other Entities
				Regional	Local	
EFTA - Canada	Switzerland	2009	GPA= (by reference)	GPA= (by reference)	GPA= (by reference)	GPA= (by reference) Entities having activities in the fields of water, electricity, ports, airports, urban transport are not covered vis-à-vis Canada.
EFTA - Canada	Canada	2009	GPA= (by reference)	GPA= (by reference) not applied to Iceland and Liechtenstein	GPA= (by reference)	GPA= (by reference)
EFTA - Chile	Iceland	2004	GPA94=	GPA94 =	GPA94 =	GPA94 - entities having activities in electricity sector
EFTA - Chile	Liechtenstein	2004	GPA94=	GPA94 =	GPA94 =	GPA94 - entities having activities in electricity sector
EFTA - Chile	Norway	2004	GPA94=	GPA94 =	GPA94 =	GPA94 - entities having activities in electricity sector
EFTA - Chile	Switzerland	2004	GPA94=	GPA94 =	GPA94 =	GPA94 - entities having activities in electricity sector
EFTA - Chile	Chile	2004	20 ministries	51 provinces in 13 regions (conditions for central government entities are applied)	341 municipalities + all other sub-central public entities + all other entities operating in the general interest and subject to effective and managerial or financial control by public entities.	10 entities (ports) + state owned airports
EFTA - Colombia	Iceland	2011	GPA94=	GPA94 =	GPA94 =	GPA94 - entities having activities in electricity sector
EFTA - Colombia	Liechtenstein	2011	GPA94=	GPA94 =	GPA94 =	GPA94 - entities having activities in electricity sector
EFTA - Colombia	Norway	2011	GPA94=	GPA94 =	GPA94 =	GPA94 - entities having activities in electricity sector
EFTA - Colombia	Switzerland	2011	GPA94=	GPA94 =	GPA94 =	GPA94 - entities having activities in electricity sector
EFTA - Colombia	Colombia	2011	28 entities (including legislative and some judicial branches)	all departments	all municipalities	10 entities (institutions related to sport, higher education, development of science and technologies, police and army related fund etc.)
EFTA - Korea	Iceland	2006	GPA= (by reference)	GPA= (by reference)	GPA= (by reference)	GPA= (by reference) Entities having activities in the fields of airports and urban transport are not covered.
EFTA - Korea	Liechtenstein	2006	GPA= (by reference)	GPA= (by reference)	GPA= (by reference)	GPA= (by reference)
EFTA - Korea	Norway	2006	GPA= (by reference)	GPA= (by reference)	GPA= (by reference)	GPA= (by reference)
EFTA - Korea	Switzerland	2006	GPA= (by reference)	GPA= (by reference)	GPA= (by reference)	GPA= (by reference) Entities having activities in the field of airports are not covered.
EFTA - Korea	Korea	2006	GPA= (by reference)	GPA= (by reference)	GPA= (by reference)	GPA= (by reference) Korea Rail Network Authority and Korea Railroad Corporation are not covered vis-à-vis Norway and Switzerland,
EFTA - Mexico	Iceland	2001	GPA94=	not covered	not covered	GPA94=
EFTA - Mexico	Liechtenstein	2001	GPA94=	not covered	not covered	GPA94=
EFTA - Mexico	Norway	2001	GPA94=	not covered	not covered	GPA94=
EFTA - Mexico	Switzerland	2001	GPA94=	not covered	not covered	GPA94=
EFTA - Mexico	Mexico	2001	19 entities (including all ministries) (=NAFTA + 1 entity (Secretaría de Seguridad Pública founded in 2000))	not covered	not covered	36 entities (= Chile-Mexico RTA + 4 commissions and councils covered by Mexico's Annex 1 of other RTAs)
EFTA - Peru	Iceland	2011	GPA94=	GPA94=	GPA94=	GPA94 - entities having activities in electricity sector
EFTA - Peru	Liechtenstein	2011	GPA94=	GPA94=	GPA94=	GPA94 - entities having activities in electricity sector
EFTA - Peru	Norway	2011	GPA2012 =	GPA94=	GPA94=	GPA94 - entities having activities in electricity sector
EFTA - Peru	Switzerland	2011	GPA94=	GPA94=	GPA94=	GPA94 - entities having activities in electricity sector
EFTA - Peru	Peru	2011	61 entities (including legislative and some judicial branches)	25 regions (=all regions)	all municipalities	21 entities (national bank, electricity company, postal company, airport, port, oil, drinking water companies etc.)
EFTA - Singapore	Iceland	2003	GPA= (by reference)	GPA= (by reference)	GPA= (by reference)	GPA= (by reference)
EFTA - Singapore	Liechtenstein	2003	GPA= (by reference)	GPA= (by reference)	GPA= (by reference)	GPA= (by reference)
EFTA - Singapore	Norway	2003	GPA= (by reference)	GPA= (by reference)	GPA= (by reference)	GPA= (by reference)

Agreement	Party	Year	Central Government Entities	Sub-central government entities		Other Entities
				Regional	Local	
EFTA - Singapore	Switzerland	2003	GPA= (by reference)	GPA= (by reference)	GPA= (by reference)	GPA= (by reference)
EFTA - Singapore	Singapore	2003	GPA= (by reference)	GPA= (by reference)	GPA= (by reference)	GPA= (by reference)
EFTA - Ukraine	Iceland	2012	GPA94=	GPA94=	GPA94=	GPA94=
EFTA - Ukraine	Liechtenstein	2012	GPA94=	GPA94=	GPA94=	GPA94=
EFTA - Ukraine	Norway	2012	GPA94=	GPA94=	GPA94=	GPA94=
EFTA - Ukraine	Switzerland	2012	GPA94=	GPA94=	GPA94=	GPA94=
EFTA - Ukraine	Ukraine	2012	executive branches, some legislative and judicial branches, institutions and organisations, national academy of science etc.	(for 130000 SDR) bodies of executive branch and courts (for 200000 SDR) regional public authorities and other entities financed by regional budgets	(for 130000 SDR) bodies of executive branch and courts (for 200000 SDR) local public authorities and other entities financed by local budgets	state enterprises or companies (with more than 50% of share held by the state) + central and sub-central entities listed in Annex 1 and 2 in the fields of drinking water, urban transport, airport, inland port or waterway, production of electricity.
EU - Korea	European Union	2011	GPA94= (by reference)	GPA94= (by reference)	GPA94= (by reference)	GPA94= (by reference) Entities having activities in the fields of airports and urban transport are not covered.
EU - Korea	Korea	2011	GPA94= (by reference)	GPA94= (by reference)	GPA94= (by reference)	GPA94= (by reference) Entities having activities in the fields of airports and urban transport are not covered.
EFTA	Iceland	2002	n.a.	n.a.	n.a.	GPA + railway operators
EFTA	Liechtenstein	2002	n.a.	n.a.	n.a.	GPA + railway operators
EFTA	Norway	2002	n.a.	n.a.	n.a.	GPA + railway operators
EFTA	Switzerland	2002	n.a.	n.a.	n.a.	GPA + railway operators
Hong Kong - New Zealand	Hong Kong	2011	59 entities (= GPA2012 - 4 entities (Chief Executive Office etc.))	n.a.	n.a.	not covered
Hong Kong - New Zealand	New Zealand	2011	30 entities	not covered	not covered	not covered
Israel - Mexico	Israel	2000	GPA94 + 1 entity (Ministry of Religious Affairs)	n.a.	not covered	10 entities (airport, port, broadcasting, postal, electricity enterprises etc.) = GPA94 - all entities in the field of urban transport except bus services
Israel - Mexico	Mexico	2000	18 entities with subordinate entities (NAFTA= (4 commissions and councils covered by NAFTA are stipulated in Annex3))	not covered	not covered	34 entities (airport service, railway, telecommunication, postal, electricity, social security, oil, water, road companies etc.) (= EU-Mexico (NAFTA - 7 entities + 4 commissions and councils covered by NAFTA in Annex1) + 1 entity (Laboratory of Biological and Reagents of Mexico))
Japan - Mexico	Japan	2005	GPA 94 =	not covered	not covered	GPA 94 - entities which have been privatised (railway, tobacco, telecommunication companies etc.) or have been dissolved or transferred
Japan - Mexico	Mexico	2005	23 entities with subordinate entities (= NAFTA +1 entity (secretaria de seguridad publica (found in 2000) )	not covered	not covered	36 entities (airport services, telecommunication, postal, electricity, social security, oil, water, road enterprises etc.) = Mexico-Chile RTA
Japan - Peru	Japan	2012	GPA 94 = (as of 2010)	GPA 94 = (as of 2010)	GPA 94 = (as of 2010)	GPA2012 - entities which have been privatised (railway, tobacco, telecommunication companies etc.)
Japan - Peru	Peru	2012	62 entities	25 regions (= all regions)	not covered	22 entities (national bank, electricity company, postal company, airport, ports, oil, drinking water companies etc.)
Japan - Singapore	Japan	2002	GPA94 =	n.a.	n.a.	GPA94 - entities which have been privatised
Japan - Singapore	Singapore	2002	GPA94 =	n.a.	n.a.	GPA94= except entities which have been privatised
Japan - Switzerland	Japan	2009	GPA2012 = (by reference)	GPA2012 = (by reference)	GPA2012 = (by reference)	GPA2012 = (by reference)
Japan - Switzerland	Switzerland	2009	GPA2012 = (by reference)	GPA2012 = (by reference)	GPA2012 = (by reference)	GPA2012 = (by reference)
Korea - Chile	Korea	2004	43 entities (considered as GPA 2012=)	GPA94=	GPA94=	18 entities + all other entities having activities in airport, maritime and inland port (= GPA 94 - Korea Railroad Corporation + Kookmin Bank + airports/ports)

Agreement	Party	Year	Central Government Entities	Sub-central government entities		Other Entities
				Regional	Local	
Korea - Chile	Chile	2004	20 entities	51 provinces in 13 regions (conditions for central government entities are applied)	not covered	11 entities (ports and airport) +all other undertakings have activities in airport, maritime, inland port
Korea - Singapore	Korea	2006	43 entities with subordinate entities (considered as GPA2012 =)	GPA94=	GPA94=	19 entities (= GPA94 + Korea General Chemical Corporation - Korea Railroad Corporation
Korea - Singapore	Singapore	2006	23 entities (GPA=)	n.a.	n.a.	GPA=
Korea - US	Korea	2012	51 entities (= GPA94 + 9 entities (according to USTR website))	n.a.	n.a.	n.a.
Korea - US	United States	2012	79 entities (GPA94 - 1 entity (Uranium Enrichment Corporation) +1 entity (Social Security Administration)); Social Security Administration is covered by GPA2012	n.a.	n.a.	n.a.
Mexico - Nicaragua	Mexico	1998	18 entities with subordinate entities (commissions and councils not subordinate to 18 ministries are covered by Annex 3; all ministries at that time) NAFTA=	not covered	not covered	35 entities (airport, postal, electricity, telecommunication, railroad, oil enterprises etc.) (= NAFTA - 5 entities + 4 commissions and councils covered by Mexico's Annex 1 of other RTAs)
Mexico - Nicaragua	Nicaragua	1998	40 entities	not covered	not covered	13 entities (telecommunication, electricity, airports etc.)
New Zealand - Singapore	New Zealand	2001	"government bodies"	on the best endeavours basis	on the best endeavours basis	on the best endeavours basis
New Zealand - Singapore	Singapore	2001	"government bodies"	on the best endeavours basis	on the best endeavours basis	on the best endeavours basis
NAFTA	Canada	1994	100 entities	not covered	not covered	11 entities
NAFTA	Mexico	1994	22 entities (NAFTA=)	not covered	not covered	36 entities (airport service, postal, electricity, telecommunication, railroad, oil companies etc.)
NAFTA	United States	1994	56 entities (= GPA94 - 28 entities (including Department of Homeland Security) +5 entities)	not covered	not covered	7 entities (= GPA94 list A entities + Alaska Power Administration - Power Marketing Administrations of the Department of Energy)
Peru - Korea	Peru	2011	62 entities	25 regions (=all regions)	not covered	22 entities (national bank, electricity company, postal company, airport, port, oil, drinking water companies etc.)
Peru - Korea	Korea	2011	41 entities (= GPA2012 - National Human Right Commission of Korea)	GPA94=	GPA94=	GPA94=
Singapore - Australia	Singapore	2003	23 entities (GPA=)	n.a.	n.a.	24 entities (statutory boards) (GPA=)
Singapore - Australia	Australia	2003	78 entities (21 departments + 57 agencies covered by the Financial Management and Accountability Act	not covered	not covered	not covered
TPSEP	Chile	2006	20 entities	51 provinces in 13 regions (thresholds and other conditions for central government entities are applied)	not covered	not covered
TPSEP	New Zealand	2006	37 entities	not covered	not covered	not covered
TPSEP	Singapore	2006	23 entities (GPA=)	n.a.	n.a.	not covered
US - Australia	United States	2005	78 entities (=GPA94 - 1 entity (Uranium Enrichment Corporation))	31 states (GPA - 7 states + 1 state)	not covered	6 entities (List A) + Rural Utilities Services (List B) (=GPA94 - 1 entity (Power Market Administrations of the Department of Energy in List A) - 3 entities (ports and the New York Power Authority in List B))
US - Australia	Australia	2005	77 entities (all federal departments and all other agencies covered by the Financial Management and Accountability act 1997. (according to the Australian government website.))	6 states and 2 territories (=all regions)	not covered	32 enterprises (= Australia-Chile RTA + 2 entities (Australian Safety and Compensation Council, the National Institute of Clinical Studies Ltd.))
US - Bahrain	United States	2006	52 entities (GPA 94 - Federal Reserve System, some federal corporations etc.); US-Oman RTA + Department of Defense + Department of Homeland Security	not covered	not covered	6 entities (List A) + Rural Utilities Services (List B) (=GPA94 - 1 entity (Power Market Administrations of the Department of Energy in List A) - 3 entities (ports and the New York Power Authority in List B))
US - Bahrain	Bahrain	2006	28 entities	not covered	not covered	17 entities

Agreement	Party	Year	Central Government Entities	Sub-central government entities		Other Entities
				Regional	Local	
US - Chile	United States	2004	78 entities (GPA94 - 1 entity (Uranium Enrichment Corporation))	37 states (GPA=)	not covered	6 entities (List A) + 4 entities (List B) (= GPA94 - 1 entity (Power Marketing Administrations of the DOE (List A)))
US - Chile	Chile	2004	20 entities	51 provinces in 13 regions (conditions for central government entities are applied)	341 municipalities	11 entities
US - Morocco	United States	2006	79 entities (GPA94 - 1 entity (Uranium Enrichment Corporation) + 1 entity (Pennsylvania Avenue Development Corporation which has been dissolved))	23 states (GPA-14 states)	not covered	6 entities (List A) + Rural Utilities Services (List B) (=GPA94 - 1 entity (Power Market Administrations of the Department of Energy in List A) - 3 entities (ports and the New York Power Authority in List B))
US - Morocco	Morocco	2006	30 entities	not covered	77 cities (= not all urban cities)	137 entities
US - Oman	United States	2009	50 entities (= GPA94 - 29 entities (Department of Defense, Department of Homeland Security, Federal Reserve System, some federal corporations))	not covered	not covered	6 entities (List A) + Rural Utilities Services (List B) (=GPA94 - 1 entity (Power Market Administrations of the Department of Energy in List A) - 3 entities (ports and the New York Power Authority in List B))
US - Oman	Oman	2009	33 entities	not covered	not covered	5 entities
US - Peru	United States	2009	78 entities (GPA94-1 entity (Uranium Enrichment Corporation))	9 states (8 GPA states + Puerto Rico)	not covered	6 entities (List A) + Rural Utilities Services (List B) (=GPA94 - 1 entity (Power Market Administrations of the Department of Energy in List A) - 3 entities (ports and the New York Power Authority in List B))
US - Peru	Peru	2009	61 entities	25 regions (=all regions)	not covered	23 entities (national bank, electricity, postal, airport, port, oil, drinking water companies etc.)
US - Singapore	United States	2004	GPA94= (by reference)	GPA94= (by reference)	GPA94= (by reference)	GPA94= (by reference)
US - Singapore	Singapore	2004	GPA94= (by reference)	n.a.	n.a.	GPA94= (by reference)

### **Annex C. Exchange Rates Used for the Analysis on Thresholds**

When thresholds are provided in local currencies, it is often the case that these thresholds are subject to adjustment at two-year intervals. In this case, the nominal values of thresholds in schedules look different from one agreement to another although they are meant to be the same values. Therefore, when analysing the thresholds provided in local currencies, it is appropriate to convert these thresholds into SDR for its comparability. The following method is used for the conversion of thresholds.

In case the base values of thresholds are set in terms of SDRs, which are often stipulated in the threshold adjustment formula in the agreements, these values are used for the analysis in spite of that thresholds in local currencies are provided in the schedules.

When the first thresholds are given in local currencies without having any base values in SDR, and subject to adjustment, the following exchange rates are used for the conversion for respective parties. In general, the exchange rate was calculated based on the average of the daily exchange rates published by the IMF for two-year period before the year of conclusion of the agreement, assuming that the negotiation was concluded a year before the agreement came into force.

**Australia (US-Australia):** The calculation of the thresholds is based on the average of the daily exchange rates of the AUD in terms of the SDR over two-year period of November 2001 to October 2003. The average daily exchange rate for this period is 2.304772.

**Canada:** All thresholds of RTAs applied for the calendar years of 2010-2011 in CAD are obtained from “Contracting policy Notice 2009-03 Free Trade Agreements: Update of thresholds and New Free Trade Agreements” on 18 December 2009. The calculation of the thresholds is based on the average of the daily exchange rates of the CAD in terms of the SDR over two-year period of November 2007 to October 2009. The average daily exchange rate for this period is 1.710035.

**Korea (US-Korea):** The calculation of the thresholds is based on the average of the daily exchange rates of KRW in terms of the SDR over two-year period of November 2003 to October 2005. The average daily exchange rate for this period is 1630.084.

**Morocco (US-Morocco):** In the case of Morocco, the daily exchange rate is not available at IMF website. The exchange rates were obtained from the thresholds for central entities where their values are available both in SDR and MAD. The exchange rate used in this study is 13.97692.

**Singapore (US-Singapore):** The calculation of the thresholds is based on the average of the daily exchange rates of SGD in terms of the SDR over two-year period of November 1999 to October 2001. The average daily exchange rate for this period is 2.275718.



United States: All thresholds of RTAs applied for the calendar years of 2010-11 in USD are obtained from “Procurement Thresholds for Implementation of the Trade Agreements Act of 1979”, a notice by the Office of the United States Trade Representative on 29 December 2009. The average of the daily exchange rates of USD in terms of the SDR for this period is 1.560876 according to the notification to the WTO (GPA/W/309/Add.1).

## Annex D. Thresholds in OECD Member RTAs

Table D.1. RTA thresholds (SDR)

Agreement	Party	Year	Central Government			Sub-central Government			Other Entities			Typology	Comparison to GPA
			Goods	Services	Construction	Goods	Services	Construction	Goods	Services	Construction		
Australia - Chile	Australia	2009	45 000	45 000	5 000 000	355 000	355 000	5 000 000	224 000	224 000	5 000 000	GPA/NAFTA I	
Australia - Chile	Chile	2009	45 000	45 000	5 000 000	355 000	355 000	5 000 000	224 000	224 000	5 000 000	GPA/NAFTA I	
Canada - Chile	Canada	1997	45 000	45 000	5 000 000	n.a.	n.a.	n.a.	224 000	224 000	7 200 000	GPA/NAFTA III	GPA + / -
Canada - Chile	Chile	1997	45 000	45 000	5 000 000	n.a.	n.a.	n.a.	224 000	224 000	7 200 000	GPA/NAFTA III	
Canada - Colombia	Canada	2011	45 000	45 000	5 000 000	n.a.	n.a.	n.a.	224 000	224 000	7 200 000	GPA/NAFTA III	GPA + / -
Canada - Colombia	Colombia	2011	45 000	45 000	5 000 000	n.a.	n.a.	n.a.	224 000	224 000	7 200 000	GPA/NAFTA III	
Canada - Israel	Canada	1997	130 000	130 000	5 000 000	355 000	355 000	5 000 000	355 000	355 000	5 000 000	GPA	GPA =
Canada - Israel	Israel	1997	130 000	130 000	5 000 000	250 000	250 000	8 500 000	355 000	355 000	8 500 000	GPA	GPA =
Canada - Peru	Canada	2009	45 000	45 000	5 000 000	n.a.	n.a.	n.a.	224 000	224 000	7 200 000	GPA/NAFTA III	GPA + / -
Canada - Peru	Peru	2009	45 000	45 000	5 000 000	n.a.	n.a.	n.a.	224 000	224 000	7 200 000	GPA/NAFTA III	
Chile - Colombia	Chile	2009	50 000	50 000	5 000 000	200 000	200 000	5 000 000	220 000	220 000	5 000 000	GPA/NAFTA I	
Chile - Colombia	Colombia	2009	50 000	50 000	5 000 000	200 000	200 000	5 000 000	220 000	220 000	5 000 000	GPA/NAFTA I	
Chile - Central America	Chile	2002	0	0	0	0	0	0	0	0	0	Other	
Chile - Central America	Costa Rica	2002	0	0	0	0	0	0	0	0	0	Other	
Chile - Central America	El Salvador	2002	0	0	0	0	0	0	0	0	0	Other	
Chile - Central America	Guatemala	2010	0	0	0	0	0	0	0	0	0	Other	
Chile - Central America	Honduras	2008	0	0	0	0	0	0	0	0	0	Other	
Chile - Japan	Chile	2007	100 000	100 000	5 000 000	200 000	200 000	10 000 000	300 000	300 000	10 000 000	GPA	
Chile - Japan	Japan	2007	100 000	100 000	4 500 000	200 000	200 000	1 500 000	100 000	100 000	450 000	GPA	GPA +
Chile - Mexico	Chile	1999	45 000	45 000	5 800 000	355 000	355 000	5 000 000	224 000	224 000	7 200 000	NAFTA	
Chile - Mexico	Mexico	1999	45 000	45 000	5 800 000	n.a.	n.a.	n.a.	224 000	224 000	7 200 000	NAFTA	
Colombia - Mexico	Colombia	1995	45 000	45 000	5 800 000	n.a.	n.a.	n.a.	224 000	224 000	7 200 000	NAFTA	
Colombia - Mexico	Mexico	1995	45 000	45 000	5 800 000	n.a.	n.a.	n.a.	224 000	224 000	7 200 000	NAFTA	
Costa Rica - Mexico	Costa Rica	1995	45 000	45 000	5 800 000	n.a.	n.a.	n.a.	224 000	224 000	7 200 000	NAFTA	
Costa Rica - Mexico	Mexico	1995	45 000	45 000	5 800 000	n.a.	n.a.	n.a.	224 000	224 000	7 200 000	NAFTA	
CAFTA - DR	Dominican Republic	2006	45 000	45 000	5 000 000	355 000	355 000	5 000 000	A: \$250 000	A: \$250 000	5 000 000	GPA/NAFTA I	
CAFTA - DR	Costa Rica	2006	45 000	45 000	5 000 000	355 000	355 000	5 000 000	A: \$250 000 B: 400 000	A: \$250 000 B: 400 000	5 000 000	GPA/NAFTA I	
CAFTA - DR	El Salvador	2006	45 000	45 000	5 000 000	355 000	355 000	5 000 000	A: \$250 000 B: 400 000	A: \$250 000 B: 400 000	5 000 000	GPA/NAFTA I	
CAFTA - DR	Guatemala	2006	45 000	45 000	5 000 000	355 000	355 000	5 000 000	A: \$250 000	A: \$250 000	5 000 000	GPA/NAFTA I	
CAFTA - DR	Honduras	2006	45 000	45 000	5 000 000	355 000	355 000	5 000 000	A: \$250 000	A: \$250 000	5 000 000	GPA/NAFTA I	
CAFTA - DR	Nicaragua	2006	45 000	45 000	5 000 000	355 000	355 000	5 000 000	A: \$250 000 B: 400 000	A: \$250 000 B: 400 000	5 000 000	GPA/NAFTA I	
CAFTA - DR	United States	2006	45 000	45 000	5 000 000	355 000	355 000	5 000 000	B: 400 000	B: 400 000	5 000 000	GPA/NAFTA I	GPA +
EU - CARIFORUM	European Union	2008	130 000	130 000	5 000 000	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	GPA	GPA =
EU - CARIFORUM	CARIFORUM	2008	155 000	155 000	6 500 000	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	GPA	
EU - Chile	European Union	2003	130 000	130 000	5 000 000	200 000	200 000	5 000 000	400 000	400 000	5 000 000	GPA	GPA =
EU - Chile	Chile	2003	130 000	130 000	5 000 000	200 000	200 000	5 000 000	400 000	400 000	5 000 000	GPA	
EU - Mexico	European Union	2000	130 000	130 000	5 000 000	n.a.	n.a.	n.a.	400 000	400 000	5 000 000	NAFTA	GPA =
EU - Mexico	Mexico	2000	45 000	45 000	5 800 000	n.a.	n.a.	n.a.	224 000	224 000	7 200 000	NAFTA	
EFTA - Canada	Iceland	2009	130 000	130 000	5 000 000	200 000	200 000	5 000 000	400 000	400 000	5 000 000	GPA	GPA =
EFTA - Canada	Liechtenstein	2009	130 000	130 000	5 000 000	200 000	200 000	5 000 000	400 000	400 000	5 000 000	GPA	GPA =
EFTA - Canada	Norway	2009	130 000	130 000	5 000 000	200 000	200 000	5 000 000	400 000	400 000	5 000 000	GPA	GPA =
EFTA - Canada	Switzerland	2009	130 000	130 000	5 000 000	200 000	200 000	5 000 000	400 000	400 000	5 000 000	GPA	GPA =
EFTA - Canada	Canada	2009	130 000	130 000	5 000 000	355 000	355 000	5 000 000	355 000	355 000	5 000 000	GPA	GPA =
EFTA - Chile	Iceland	2004	130 000	130 000	5 000 000	200 000	200 000	5 000 000	400 000	400 000	5 000 000	GPA	GPA =
EFTA - Chile	Liechtenstein	2004	130 000	130 000	5 000 000	200 000	200 000	5 000 000	400 000	400 000	5 000 000	GPA	GPA =
EFTA - Chile	Norway	2004	130 000	130 000	5 000 000	200 000	200 000	5 000 000	400 000	400 000	5 000 000	GPA	GPA =
EFTA - Chile	Switzerland	2004	130 000	130 000	5 000 000	200 000	200 000	5 000 000	400 000	400 000	5 000 000	GPA	GPA =
EFTA - Chile	Chile	2004	130 000	130 000	5 000 000	200 000	200 000	5 000 000	400 000	400 000	5 000 000	GPA	
EFTA - Colombia	Iceland	2011	130 000	130 000	5 000 000	200 000	200 000	5 000 000	400 000	400 000	5 000 000	GPA	GPA =
EFTA - Colombia	Liechtenstein	2011	130 000	130 000	5 000 000	200 000	200 000	5 000 000	400 000	400 000	5 000 000	GPA	GPA =
EFTA - Colombia	Norway	2011	130 000	130 000	5 000 000	200 000	200 000	5 000 000	400 000	400 000	5 000 000	GPA	GPA =
EFTA - Colombia	Switzerland	2011	130 000	130 000	5 000 000	200 000	200 000	5 000 000	400 000	400 000	5 000 000	GPA	GPA =
EFTA - Colombia	Colombia	2011	130 000	130 000	5 000 000	200 000	200 000	5 000 000	220 000	220 000	5 000 000	GPA	
EFTA - Korea	Iceland	2006	130 000	130 000	5 000 000	200 000	200 000	5 000 000	400 000	400 000	5 000 000	GPA	GPA =
EFTA - Korea	Liechtenstein	2006	130 000	130 000	5 000 000	200 000	200 000	5 000 000	400 000	400 000	5 000 000	GPA	GPA =
EFTA - Korea	Norway	2006	130 000	130 000	5 000 000	200 000	200 000	5 000 000	400 000	400 000	5 000 000	GPA	GPA =
EFTA - Korea	Switzerland	2006	130 000	130 000	5 000 000	200 000	200 000	5 000 000	400 000	400 000	5 000 000	GPA	GPA =
EFTA - Korea	Korea	2006	130 000	130 000	5 000 000	A: 200 000 B: 400 000	A: 200 000 B: 400 000	15 000 000	400 000	400 000	15 000 000	GPA	GPA =
EFTA - Mexico	Iceland	2001	130 000	130 000	5 000 000	n.a.	n.a.	n.a.	400 000	400 000	5 000 000	GPA	GPA =
EFTA - Mexico	Liechtenstein	2001	130 000	130 000	5 000 000	n.a.	n.a.	n.a.	400 000	400 000	5 000 000	GPA	GPA =
EFTA - Mexico	Norway	2001	130 000	130 000	5 000 000	n.a.	n.a.	n.a.	400 000	400 000	5 000 000	GPA	GPA =
EFTA - Mexico	Switzerland	2001	130 000	130 000	5 000 000	n.a.	n.a.	n.a.	400 000	400 000	5 000 000	GPA	GPA =
EFTA - Mexico	Mexico	2001	45 000	45 000	5 800 000	n.a.	n.a.	n.a.	224 000	224 000	7 200 000	NAFTA	

1. “n.a.\*” indicates that these entities are not included but considered to be covered by their GPA commitments, while “n.a.” indicates that these entities are not included or do not exist.
2. In cases where the commitments are interpreted to be based on the GPA 1994, these are indicated as “GPA 94 =/” “GPA 94 +”.
3. “A” and “B” indicate Group/List A entities and Group/ List B entities respectively. Ukraine (EFTA-Ukraine) also has two groups of sub-central entities subject to different levels of thresholds. In the case of Japan, architectural, engineering and other technical services are subject to the lower thresholds in the same way as its GPA commitments (cf. Table 2).

Agreement	Party	Year	Central Government			Sub-central Government			Other Entities			Typology	Comparison to GPA
			Goods	Services	Construction	Goods	Services	Construction	Goods	Services	Construction		
EFTA - Peru	Iceland	2011	130 000	130 000	5 000 000	200 000	200 000	5 000 000	400 000	400 000	5 000 000	GPA	GPA =
EFTA - Peru	Liechtenstein	2011	130 000	130 000	5 000 000	200 000	200 000	5 000 000	400 000	400 000	5 000 000	GPA	GPA =
EFTA - Peru	Norway	2011	130 000	130 000	5 000 000	200 000	200 000	5 000 000	400 000	400 000	5 000 000	GPA	GPA =
EFTA - Peru	Switzerland	2011	130 000	130 000	5 000 000	200 000	200 000	5 000 000	400 000	400 000	5 000 000	GPA	GPA =
EFTA - Peru	Peru	2011	130 000	130 000	5 000 000	200 000	200 000	5 000 000	400 000	400 000	5 000 000	GPA	GPA =
EFTA - Singapore	Iceland	2003	130 000	130 000	5 000 000	200 000	200 000	5 000 000	400 000	400 000	5 000 000	GPA	GPA =
EFTA - Singapore	Liechtenstein	2003	130 000	130 000	5 000 000	200 000	200 000	5 000 000	400 000	400 000	5 000 000	GPA	GPA =
EFTA - Singapore	Norway	2003	130 000	130 000	5 000 000	200 000	200 000	5 000 000	400 000	400 000	5 000 000	GPA	GPA =
EFTA - Singapore	Switzerland	2003	130 000	130 000	5 000 000	200 000	200 000	5 000 000	400 000	400 000	5 000 000	GPA	GPA =
EFTA - Singapore	Singapore	2003	130 000	130 000	5 000 000	n.a.	n.a.	n.a.	400 000	400 000	5 000 000	GPA	GPA =
EFTA - Ukraine	Iceland	2012	130 000	130 000	5 000 000	200 000	200 000	5 000 000	400 000	400 000	5 000 000	GPA	GPA =
EFTA - Ukraine	Liechtenstein	2012	130 000	130 000	5 000 000	200 000	200 000	5 000 000	400 000	400 000	5 000 000	GPA	GPA =
EFTA - Ukraine	Norway	2012	130 000	130 000	5 000 000	200 000	200 000	5 000 000	400 000	400 000	5 000 000	GPA	GPA =
EFTA - Ukraine	Switzerland	2012	130 000	130 000	5 000 000	200 000	200 000	5 000 000	400 000	400 000	5 000 000	GPA	GPA =
EFTA - Ukraine	Ukraine	2012	130 000	130 000	5 000 000	200 000	200 000	5 000 000	400 000	400 000	5 000 000	GPA	GPA =
EU - Korea	European Union	2011	130 000	130 000	5 000 000	200 000	200 000	5 000 000	400 000	400 000	5 000 000	GPA	GPA =
EU - Korea	Korea	2011	130 000	130 000	5 000 000	200 000	200 000	15 000 000	450 000	n.a.	15 000 000	GPA	GPA =
EFTA	Iceland	2002	n.a.*	n.a.*	n.a.*	n.a.*	n.a.*	n.a.*	400 000	400 000	5 000 000	GPA	GPA =
EFTA	Liechtenstein	2002	n.a.*	n.a.*	n.a.*	n.a.*	n.a.*	n.a.*	400 000	400 000	5 000 000	GPA	GPA =
EFTA	Norway	2002	n.a.*	n.a.*	n.a.*	n.a.*	n.a.*	n.a.*	400 000	400 000	5 000 000	GPA	GPA =
EFTA	Switzerland	2002	n.a.*	n.a.*	n.a.*	n.a.*	n.a.*	n.a.*	400 000	400 000	5 000 000	GPA	GPA =
Hong Kong - New Zealand	Hong Kong	2011	130 000	130 000	5 000 000	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	GPA	GPA =
Hong Kong - New Zealand	New Zealand	2011	130 000	130 000	5 000 000	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	GPA	GPA =
Israel - Mexico	Israel	2000	130 000	130 000	8 500 000	n.a.	n.a.	n.a.	355 000	355 000	8 500 000	GPA	GPA =
Israel - Mexico	Mexico	2000	45 000	45 000	5 800 000	n.a.	n.a.	n.a.	224 000	224 000	7 200 000	NAFTA	
					4 500 000						A: 15 000 000 B: 4 500 000		
Japan - Mexico	Japan	2005	130 000	130 000	450 000	n.a.	n.a.	n.a.	130 000	130 000	450 000	GPA	GPA94 =
Japan - Mexico	Mexico	2005	45 000	45 000	5 800 000	n.a.	n.a.	n.a.	224 000	224 000	7 200 000	NAFTA	
					4 500 000						A: 15 000 000 B: 4 500 000		
Japan - Peru	Japan	2012	130 000	130 000	450 000	200 000	200 000	1 500 000	130 000	130 000	450 000	GPA	GPA94 =
Japan - Peru	Peru	2012	130 000	130 000	5 000 000	200 000	200 000	15 000 000	160 000	160 000	15 000 000	GPA	GPA =
Japan - Singapore	Japan	2002	100 000	100 000	n.a.*	n.a.*	n.a.*	n.a.*	100 000	100 000	n.a.*	GPA	GPA +
Japan - Singapore	Singapore	2002	100 000	100 000	n.a.*	n.a.*	n.a.*	n.a.*	100 000	100 000	n.a.*	GPA	GPA +
					4 500 000						A: 15 000 000 B: 4 500 000		
Japan - Switzerland	Japan	2009	100 000	100 000	450 000	200 000	200 000	1 500 000	130 000	130 000	450 000	GPA	GPA =
Japan - Switzerland	Switzerland	2009	130 000	130 000	5 000 000	200 000	200 000	5 000 000	400 000	400 000	5 000 000	GPA	GPA =
Korea - Chile	Korea	2004	50 000	50 000	5 000 000	200 000	200 000	15 000 000	450 000	n.a.	15 000 000	GPA	GPA94 +
Korea - Chile	Chile	2004	50 000	50 000	5 000 000	n.a.	n.a.	n.a.	450 000	n.a.	15 000 000	GPA	
Korea - Singapore	Korea	2006	100 000	100 000	5 000 000	200 000	200 000	15 000 000	400 000	n.a.	15 000 000	GPA	GPA +
Korea - Singapore	Singapore	2006	100 000	100 000	5 000 000	n.a.	n.a.	n.a.	400 000	400 000	5 000 000	GPA	GPA +
Mexico - Nicaragua	Mexico	1998	45 000	45 000	5 800 000	n.a.	n.a.	n.a.	224 000	224 000	7 200 000	NAFTA	
Mexico - Nicaragua	Nicaragua	1998	45 000	45 000	5 800 000	n.a.	n.a.	n.a.	224 000	224 000	7 200 000	NAFTA	
New Zealand - Singapore	New Zealand	2001	50 000	50 000	50 000	50 000	50 000	50 000	50 000	50 000	50 000	Other	
New Zealand - Singapore	Singapore	2001	50 000	50 000	50 000	50 000	50 000	50 000	50 000	50 000	50 000	Other	GPA +
NAFTA	Canada	1994	45 000	45 000	5 800 000	n.a.	n.a.	n.a.	224 000	224 000	7 200 000	NAFTA	GPA + / -
NAFTA	Mexico	1994	45 000	45 000	5 800 000	n.a.	n.a.	n.a.	224 000	224 000	7 200 000	NAFTA	
NAFTA	United States	1994	45 000	45 000	5 800 000	n.a.	n.a.	n.a.	224 000	224 000	7 200 000	NAFTA	GPA + / -
Peru - Korea	Peru	2011	95 000	95 000	5 000 000	200 000	200 000	15 000 000	400 000	400 000	15 000 000	GPA	
Peru - Korea	Korea	2011	95 000	95 000	5 000 000	200 000	200 000	15 000 000	400 000	400 000	15 000 000	GPA	GPA +
Singapore - Australia	Singapore	2003	0	0	0	n.a.	n.a.	n.a.	0	0	0	Other	GPA +
Singapore - Australia	Australia	2003	0	0	0	n.a.	n.a.	n.a.	0	0	0	Other	GPA +
Korea - US	Korea	2012	68 000	68 000	5 000 000	n.a.*	n.a.*	n.a.*	n.a.*	n.a.*	n.a.*	GPA	GPA +
Korea - US	United States	2012	68 000	68 000	5 000 000	n.a.*	n.a.*	n.a.*	n.a.*	n.a.*	n.a.*	GPA	GPA +
TPSEP	Chile	2006	50 000	50 000	5 000 000	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	GPA/NAFTA I	
TPSEP	New Zealand	2006	50 000	50 000	5 000 000	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	GPA/NAFTA I	
TPSEP	Singapore	2006	50 000	50 000	5 000 000	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	GPA/NAFTA I	GPA +
									A: 224 000 B: 400 000	A: 224 000 B: 400 000	5 000 000	GPA/NAFTA I	GPA +
US - Australia	United States	2005	45 000	45 000	5 000 000	355 000	355 000	5 000 000	A: 224 000 B: 400 000	A: 224 000 B: 400 000	5 000 000	GPA/NAFTA I	
US - Australia	Australia	2005	45 000	45 000	5 000 000	355 000	355 000	5 000 000	A: 224 000 B: 400 000	A: 224 000 B: 400 000	5 000 000	GPA/NAFTA I	
									A: \$250 000 B: 400 000	A: \$250 000 B: 400 000	7 200 000	GPA/NAFTA II	GPA -
US - Bahrain	United States	2006	130 000	130 000	5 800 000	n.a.	n.a.	n.a.	A: \$250 000 B: 400 000	A: \$250 000 B: 400 000	7 200 000	GPA/NAFTA II	
US - Bahrain	Bahrain	2006	130 000	130 000	5 800 000	n.a.	n.a.	n.a.	A: \$250 000 B: 400 000	A: \$250 000 B: 400 000	7 200 000	GPA/NAFTA II	
US - Chile	United States	2004	45 000	45 000	5 000 000	355 000	355 000	5 000 000	A: 224 000 B: 400 000	A: 224 000 B: 400 000	5 000 000	GPA/NAFTA I	GPA +
US - Chile	Chile	2004	45 000	45 000	5 000 000	355 000	355 000	5 000 000	A: 224 000 B: 400 000	A: 224 000 B: 400 000	5 000 000	GPA/NAFTA I	
US - Morocco	United States	2006	130 000	130 000	5 000 000	355 000	355 000	5 000 000	A: \$250 000 B: 400 000	A: \$250 000 B: 400 000	5 000 000	GPA	GPA =
US - Morocco	Morocco	2006	130 000	130 000	5 000 000	355 000	355 000	5 000 000	A: 618 000 B: 400 000	A: 618 000 B: 400 000	5 000 000	GPA	
US - Oman	United States	2009	130 000	130 000	5 800 000	n.a.	n.a.	n.a.	A: \$250 000 B: 400 000	A: \$250 000 B: 400 000	7 200 000	GPA/NAFTA II	GPA -
US - Oman	Oman	2009	130 000	130 000	5 800 000	n.a.	n.a.	n.a.	A: \$250 000 B: 400 000	A: \$250 000 B: 400 000	7 200 000	GPA/NAFTA II	
US - Peru	United States	2009	130 000	130 000	5 000 000	355 000	355 000	5 000 000	A: \$250 000 B: 400 000	A: \$250 000 B: 400 000	5 000 000	GPA	GPA =
US - Peru	Peru	2009	130 000	130 000	5 000 000	355 000	355 000	5 000 000	A: \$250 000 B: 400 000	A: \$250 000 B: 400 000	5 000 000	GPA	
									A: \$250 000 B: 400 000	A: \$250 000 B: 400 000	5 000 000	GPA/NAFTA I	GPA +
US - Singapore	United States	2004	45 000	45 000	5 000 000	355 000	355 000	5 000 000	B: 400 000	B: 400 000	5 000 000	GPA/NAFTA I	GPA +
US - Singapore	Singapore	2004	45 000	45 000	5 000 000	n.a.	n.a.	n.a.	400 000	400 000	5 000 000	GPA/NAFTA I	GPA +

## Annex E. Services Coverage

Table E.1. Impacts of reciprocity on GPA services coverage

W/120	Sectors	GPA2012 without reciprocity (a)			GPA2012 with reciprocity (b)			Impacts (c)
		Full	Partial	Unbound	Full	Partial	Unbound	
1	<b>BUSINESS SERVICES</b>	45.7%	10.0%	44.3%	29.1%	9.9%	60.9%	16.6%
1	A Professional Services	45.5%	8.5%	46.1%	28.3%	9.4%	62.3%	16.2%
1	B Computer and Related Services	88.0%	2.7%	9.3%	77.1%	4.6%	18.3%	9.0%
1	C Research and Development Services	6.7%	0.0%	93.3%	0.0%	0.0%	100.0%	6.7%
1	D Real Estate Services	50.0%	3.3%	46.7%	26.2%	4.8%	69.0%	22.4%
1	E Rental/Leasing Services without Operators	28.0%	10.7%	61.3%	7.4%	7.6%	85.0%	23.6%
1	F Other Business Services	45.0%	14.7%	40.3%	27.7%	14.1%	58.2%	17.9%
2	<b>COMMUNICATION SERVICES</b>	53.9%	2.5%	43.6%	38.4%	2.5%	59.1%	15.5%
2	A Postal services	13.3%	0.0%	86.7%	1.0%	0.0%	99.0%	12.4%
2	B Courier services	66.7%	26.7%	6.7%	42.9%	43.8%	13.3%	6.7%
2	C Telecommunication services	73.3%	0.4%	26.2%	57.6%	0.2%	42.2%	16.0%
2	D Audiovisual services	16.7%	4.4%	78.9%	2.1%	2.2%	95.7%	16.8%
2	E Other	13.3%	0.0%	86.7%	1.0%	0.0%	99.0%	12.4%
3	<b>CONSTRUCTION AND RELATED ENGINEERING SERVICES</b>	97.3%	2.7%	0.0%	94.9%	5.1%	0.0%	0.0%
4	<b>DISTRIBUTION SERVICES</b>	14.7%	0.0%	85.3%	1.3%	0.0%	98.7%	13.3%
5	<b>EDUCATIONAL SERVICES</b>	24.0%	0.0%	76.0%	4.8%	0.0%	95.2%	19.2%
6	<b>ENVIRONMENTAL SERVICES</b>	76.7%	8.3%	15.0%	57.9%	13.6%	28.6%	13.6%
7	<b>FINANCIAL SERVICES</b>	52.9%	7.1%	40.0%	29.9%	6.2%	64.0%	24.0%
7	A All insurance and insurance-related services	65.0%	1.7%	33.3%	40.7%	2.1%	57.1%	23.8%
7	B Banking and other financial services	52.2%	9.4%	38.3%	28.7%	8.0%	63.3%	25.0%
7	C Other	13.3%	0.0%	86.7%	1.0%	0.0%	99.0%	12.4%
8	<b>HEALTH RELATED AND SOCIAL SERVICES</b>	13.3%	0.0%	86.7%	1.0%	0.0%	99.0%	12.4%
9	<b>TOURISM AND TRAVEL RELATED SERVICES</b>	30.0%	8.3%	61.7%	9.5%	8.8%	81.7%	20.0%
10	<b>RECREATIONAL, CULTURAL AND SPORTING SERVICES</b>	14.7%	2.7%	82.7%	1.3%	0.8%	97.9%	15.2%
11	<b>TRANSPORT SERVICES</b>	25.1%	2.1%	72.8%	10.6%	1.6%	87.8%	15.0%
11	A Maritime Transport Services	18.9%	1.1%	80.0%	6.2%	0.3%	93.5%	13.5%
11	B Internal Waterways Transport	17.8%	0.0%	82.2%	4.9%	0.0%	95.1%	12.9%
11	C Air Transport Services	44.0%	2.7%	53.3%	21.9%	2.5%	75.6%	22.3%
11	D Space Transport	46.7%	0.0%	53.3%	20.0%	0.0%	80.0%	26.7%
11	E Rail Transport Services	17.3%	0.0%	82.7%	6.9%	0.0%	93.1%	10.5%
11	F Road Transport Services	49.3%	5.3%	45.3%	27.6%	7.0%	65.3%	20.0%
11	G Pipeline Transport	6.7%	0.0%	93.3%	0.0%	0.0%	100.0%	6.7%
11	H Services auxiliary to all modes of transport	10.0%	5.0%	85.0%	0.7%	1.2%	98.1%	13.1%
11	I Other Transport Services	6.7%	6.7%	86.7%	0.0%	1.0%	99.0%	12.4%
12	<b>OTHER SERVICES</b>	13.3%	0.0%	86.7%	1.0%	0.0%	99.0%	12.4%
	<b>ALL SECTORS</b>	41.4%	5.2%	53.4%	25.3%	5.1%	69.5%	16.2%

Note: Impacts are measured in percentage points by subtracting the aggregate percentage of full and partial commitments of (b) from those of (a).

Table E.2. Services coverage under the GPA 2012 in comparison to the GPA 1994

W/120	Sectors	Commitments under the GPA 2012		
		GPA1994 =	Improved/New	Unbound
1	<b>BUSINESS SERVICES</b>	51.9%	3.8%	44.3%
1	A Professional Services	52.1%	1.8%	46.1%
1	B Computer and Related Services	90.7%	0.0%	9.3%
1	C Research and Development Services	6.7%	0.0%	93.3%
1	D Real Estate Services	46.7%	6.7%	46.7%
1	E Rental/Leasing Services without Operators	33.3%	5.3%	61.3%
1	F Other Business Services	54.0%	5.7%	40.3%
2	<b>COMMUNICATION SERVICES</b>	48.1%	8.3%	43.6%
2	A Postal services	13.3%	0.0%	86.7%
2	B Courier services	80.0%	13.3%	6.7%
2	C Telecommunication services	61.8%	12.0%	26.2%
2	D Audiovisual services	20.0%	1.1%	78.9%
2	E Other	13.3%	0.0%	86.7%
3	<b>CONSTRUCTION AND RELATED ENGINEERING SERVICES</b>	98.7%	1.3%	0.0%
4	<b>DISTRIBUTION SERVICES</b>	14.7%	0.0%	85.3%
5	<b>EDUCATIONAL SERVICES</b>	13.3%	10.7%	76.0%
6	<b>ENVIRONMENTAL SERVICES</b>	80.0%	5.0%	15.0%
7	<b>FINANCIAL SERVICES</b>	57.3%	2.7%	40.0%
7	A All insurance and insurance-related services	60.0%	6.7%	33.3%
7	B Banking and other financial services	60.0%	1.7%	38.3%
7	C Other	13.3%	0.0%	86.7%
8	<b>HEALTH RELATED AND SOCIAL SERVICES</b>	13.3%	0.0%	86.7%
9	<b>TOURISM AND TRAVEL RELATED SERVICES</b>	28.3%	10.0%	61.7%
10	<b>RECREATIONAL, CULTURAL AND SPORTING SERVICES</b>	17.3%	0.0%	82.7%
11	<b>TRANSPORT SERVICES</b>	27.2%	0.0%	72.8%
11	A Maritime Transport Services	20.0%	0.0%	80.0%
11	B Internal Waterways Transport	17.8%	0.0%	82.2%
11	C Air Transport Services	46.7%	0.0%	53.3%
11	D Space Transport	46.7%	0.0%	53.3%
11	E Rail Transport Services	17.3%	0.0%	82.7%
11	F Road Transport Services	54.7%	0.0%	45.3%
11	G Pipeline Transport	6.7%	0.0%	93.3%
11	H Services auxiliary to all modes of transport	15.0%	0.0%	85.0%
11	I Other Transport Services	13.3%	0.0%	86.7%
12	<b>OTHER SERVICES</b>	13.3%	0.0%	86.7%
	<b>ALL SECTORS</b>	43.1%	3.5%	53.4%

Table E.3. RTA services commitments and comparison with GPA

Agreement	Party	Year	Full	Partial	Unbound	Comarison to GPA	BOTs/public works	List (Positive/Negative)
Australia - Chile	Australia	2009	85.8%	1.3%	12.9%		Y	N
Australia - Chile	Chile	2009	89.0%	0.0%	11.0%		Y	N
Canada - Chile	Canada	1997	28.4%	11.0%	60.6%	GPA + / -		N
Canada - Chile	Chile	1997	89.0%	0.0%	11.0%			N
Canada - Colombia	Canada	2011	27.7%	11.6%	60.6%	GPA + / -		N
Canada - Colombia	Colombia	2011	80.6%	3.2%	16.1%			N
Canada - Israel	Canada	1997	18.7%	8.4%	72.9%	GPA =		P
Canada - Israel	Israel	1997	41.3%	3.9%	54.8%	GPA =		P
Canada - Peru	Canada	2009	27.7%	11.6%	60.6%	GPA + / -		N
Canada - Peru	Peru	2009	97.4%	1.9%	0.6%			N
Chile - Colombia	Chile	2009	89.0%	0.0%	11.0%		Y	N
Chile - Colombia	Colombia	2009	69.7%	3.2%	27.1%		Y	N
Chile - Central America	Chile	2002	82.6%	5.8%	11.6%		Y	N
Chile - Central America	Costa Rica	2002	82.6%	5.8%	11.6%		Y	N
Chile - Central America	El Salvador	2002	82.6%	5.8%	11.6%		Y	N
Chile - Central America	Guatemala	2010	82.6%	5.8%	11.6%		Y	N
Chile - Central America	Honduras	2008	82.6%	5.8%	11.6%		Y	N
Chile - Japan	Chile	2007	89.0%	0.0%	11.0%			N
Chile - Japan	Japan	2007	26.5%	5.2%	68.4%	GPA94 =		P
Chile - Mexico	Chile	1999	89.0%	0.0%	11.0%		Y	N
Chile - Mexico	Mexico	1999	19.4%	3.9%	76.8%		Y	P
Colombia - Mexico	Colombia	1995	100.0%	0.0%	0.0%			N
Colombia - Mexico	Mexico	1995	100.0%	0.0%	0.0%			N
Costa Rica - Mexico	Costa Rica	1995	0.0%	0.0%	100.0%			
Costa Rica - Mexico	Mexico	1995	0.0%	0.0%	100.0%			
CAFTA - DR	Dominican Republic	2006	81.3%	0.0%	18.7%		Y	N
CAFTA - DR	Costa Rica	2006	89.0%	0.6%	10.3%		Y	N
CAFTA - DR	El Salvador	2006	100.0%	0.0%	0.0%		Y	N
CAFTA - DR	Guatemala	2006	84.5%	0.0%	15.5%		Y	N
CAFTA - DR	Honduras	2006	92.9%	0.0%	7.1%		Y	N
CAFTA - DR	Nicaragua	2006	91.6%	0.0%	8.4%		Y	N
CAFTA - DR	United States	2006	71.0%	1.3%	27.7%	GPA + / -	Y	N
EU - CARIFORUM	European Union	2008	41.9%	3.2%	54.8%	GPA94 =		P
EU - CARIFORUM	CARIFORUM	2008	96.1%	1.3%	2.6%			N
EU - Chile	European Union	2003	33.5%	1.3%	65.2%	GPA94 -		P
EU - Chile	Chile	2003	89.0%	0.0%	11.0%			N
EU - Mexico	European Union	2000	41.9%	3.2%	54.8%	GPA94 =		P
EU - Mexico	Mexico	2000	20.0%	3.2%	76.8%			P
EFTA - Canada	Iceland	2009	14.8%	5.8%	79.4%	GPA =		P
EFTA - Canada	Liechtenstein	2009	14.8%	5.8%	79.4%	GPA =		P
EFTA - Canada	Norway	2009	14.8%	5.8%	79.4%	GPA =		P
EFTA - Canada	Switzerland	2009	17.4%	8.4%	74.2%	GPA =		P
EFTA - Canada	Canada	2009	14.8%	5.8%	79.4%	GPA =		P
EFTA - Chile	Iceland	2004	33.5%	1.3%	65.2%	GPA94 -	Y	P
EFTA - Chile	Liechtenstein	2004	33.5%	1.3%	65.2%	GPA94 -	Y	P
EFTA - Chile	Norway	2004	33.5%	1.3%	65.2%	GPA94 -	Y	P
EFTA - Chile	Switzerland	2004	33.5%	1.3%	65.2%	GPA94 -	Y	P
EFTA - Chile	Chile	2004	89.7%	0.0%	10.3%		Y	N
EFTA - Colombia	Iceland	2011	33.5%	1.3%	65.2%	GPA94 -		P
EFTA - Colombia	Liechtenstein	2011	33.5%	1.3%	65.2%	GPA94 -		P
EFTA - Colombia	Norway	2011	33.5%	1.3%	65.2%	GPA94 -		P
EFTA - Colombia	Switzerland	2011	33.5%	1.3%	65.2%	GPA94 -		P
EFTA - Colombia	Colombia	2011	80.6%	3.2%	16.1%			N
EFTA - Korea	Iceland	2006	14.2%	6.5%	79.4%	GPA =		P
EFTA - Korea	Liechtenstein	2006	14.2%	6.5%	79.4%	GPA =		P
EFTA - Korea	Norway	2006	14.2%	6.5%	79.4%	GPA =		P
EFTA - Korea	Switzerland	2006	16.1%	8.4%	75.5%	GPA =		P
EFTA - Korea	Korea	2006	14.2%	6.5%	79.4%	GPA =		P
EFTA - Mexico	Iceland	2001	41.9%	3.2%	54.8%	GPA94 =		P
EFTA - Mexico	Liechtenstein	2001	41.9%	3.2%	54.8%	GPA94 =		P
EFTA - Mexico	Norway	2001	41.9%	3.2%	54.8%	GPA94 =		P
EFTA - Mexico	Switzerland	2001	41.9%	3.2%	54.8%	GPA94 =		P
EFTA - Mexico	Mexico	2001	20.0%	3.2%	76.8%			P

Agreement	Party	Year	Full	Partial	Unbound	Comparison to GPA	BOTs/public works	List (Positive/Negative)
EFTA - Peru	Iceland	2011	33.5%	1.3%	65.2%	GPA94 -		P
EFTA - Peru	Liechtenstein	2011	33.5%	1.3%	65.2%	GPA94 -		P
EFTA - Peru	Norway	2011	33.5%	1.3%	65.2%	GPA94 -		P
EFTA - Peru	Switzerland	2011	33.5%	1.3%	65.2%	GPA94 -		P
EFTA - Peru	Peru	2011	97.4%	1.9%	0.6%			N
EFTA - Singapore	Iceland	2003	12.3%	1.3%	86.5%	GPA =		P
EFTA - Singapore	Liechtenstein	2003	12.3%	1.3%	86.5%	GPA =		P
EFTA - Singapore	Norway	2003	12.3%	1.3%	86.5%	GPA =		P
EFTA - Singapore	Switzerland	2003	13.5%	1.9%	84.5%	GPA =		P
EFTA - Singapore	Singapore	2003	16.1%	6.5%	77.4%	GPA =		P
EFTA - Ukraine	Iceland	2012	41.9%	3.2%	54.8%	GPA94 =	Y	P
EFTA - Ukraine	Liechtenstein	2012	41.9%	3.2%	54.8%	GPA94 =	Y	P
EFTA - Ukraine	Norway	2012	41.9%	3.2%	54.8%	GPA94 =	Y	P
EFTA - Ukraine	Switzerland	2012	41.9%	3.2%	54.8%	GPA94 =	Y	P
EFTA - Ukraine	Ukraine	2012	97.4%	1.9%	0.6%		Y	N
EU - Korea	European Union	2011	13.5%	7.1%	79.4%	GPA94 =	Y	P
EU - Korea	Korea	2011	13.5%	7.1%	79.4%	GPA94 =	Y	P
EFTA	Iceland	2002	43.2%	3.2%	53.5%	GPA =		P
EFTA	Liechtenstein	2002	43.2%	3.2%	53.5%	GPA =		P
EFTA	Norway	2002	43.2%	3.2%	53.5%	GPA =		P
EFTA	Switzerland	2002	43.2%	3.2%	53.5%	GPA =		P
Hong Kong - New Zealand	Hong Kong	2011	27.7%	2.6%	69.7%	GPA94 =	Y	P
Hong Kong - New Zealand	New Zealand	2011	92.3%	0.0%	7.7%		Y	N
Israel - Mexico	Israel	2000	9.0%	0.6%	90.3%	GPA94 -		P
Israel - Mexico	Mexico	2000	20.0%	3.2%	76.8%			P
Japan - Mexico	Japan	2005	26.5%	5.2%	68.4%	GPA94 =		P
Japan - Mexico	Mexico	2005	19.4%	3.9%	76.8%			P
Japan - Peru	Japan	2012	26.5%	5.2%	68.4%	GPA94 =		P
Japan - Peru	Peru	2012	97.4%	1.9%	0.6%			N
Japan - Singapore	Japan	2002	21.9%	3.9%	74.2%	GPA94 -		P
Japan - Singapore	Singapore	2002	11.6%	5.8%	82.6%	GPA94 -		P
Japan - Switzerland	Japan	2009	31.0%	8.4%	60.6%	GPA =		P
Japan - Switzerland	Switzerland	2009	25.8%	7.7%	66.5%	GPA =		P
Korea - Chile	Korea	2004	89.0%	0.0%	11.0%	GPA +	Y	N
Korea - Chile	Chile	2004	89.0%	0.0%	11.0%		Y	N
Korea - Singapore	Korea	2006	18.7%	13.5%	67.7%	GPA94 =		P
Korea - Singapore	Singapore	2006	16.1%	5.8%	78.1%	GPA94 =		P
Korea - US	Korea	2012	17.4%	11.6%	71.0%	GPA94 =	Y	P
Korea - US	United States	2012	17.4%	11.6%	71.0%	GPA94 =	Y	N
Mexico - Nicaragua	Mexico	1998	100.0%	0.0%	0.0%			N
Mexico - Nicaragua	Nicaragua	1998	100.0%	0.0%	0.0%			N
New Zealand - Singapore	New Zealand	2001	100.0%	0.0%	0.0%			N
New Zealand - Singapore	Singapore	2001	100.0%	0.0%	0.0%	GPA +		N
NAFTA	Canada	1994	28.4%	11.0%	60.6%	GPA + / -		N
NAFTA	Mexico	1994	20.0%	3.2%	76.8%			P
NAFTA	United States	1994	71.0%	1.3%	27.7%	GPA + / -		N
Peru - Korea	Peru	2011	97.4%	1.9%	0.6%		Y	N
Peru - Korea	Korea	2011	89.0%	0.0%	11.0%	GPA +	Y	N
Singapore - Australia	Singapore	2003	98.7%	1.3%	0.0%	GPA +		N
Singapore - Australia	Australia	2003	98.7%	1.3%	0.0%			N
TPSEP	Chile	2006	89.0%	0.0%	11.0%		Y	N
TPSEP	New Zealand	2006	92.3%	0.0%	7.7%		Y	N
TPSEP	Singapore	2006	16.1%	5.8%	78.1%	GPA94 =	Y	P
US - Australia	United States	2005	71.0%	1.3%	27.7%	GPA + / -	Y	N
US - Australia	Australia	2005	96.8%	1.3%	1.9%		Y	N
US - Bahrain	United States	2006	71.0%	1.3%	27.7%	GPA + / -	Y	N
US - Bahrain	Bahrain	2006	81.3%	3.9%	14.8%		Y	N
US - Chile	United States	2004	71.0%	1.3%	27.7%	GPA + / -	Y	N
US - Chile	Chile	2004	89.0%	0.0%	11.0%		Y	N
US - Morocco	United States	2006	71.0%	1.3%	27.7%	GPA + / -	Y	N
US - Morocco	Morocco	2006	97.4%	1.9%	0.6%		Y	N
US - Oman	United States	2009	71.0%	1.3%	27.7%	GPA + / -	Y	N
US - Oman	Oman	2009	82.6%	3.9%	13.5%		Y	N
US - Peru	United States	2009	71.0%	1.3%	27.7%	GPA + / -	Y	N
US - Peru	Peru	2009	97.4%	1.9%	0.6%		Y	N
US - Singapore	United States	2004	70.3%	1.3%	28.4%	GPA =	Y	N
US - Singapore	Singapore	2004	91.0%	3.2%	5.8%	GPA +	Y	N
<b>Average</b>			53.4%	3.1%	43.5%		42.3%	P : 50.8% N : 49.2%

Note: In cases where RTA commitments are interpreted to be based on the GPA 1994, these commitments are indicated as "GPA 94 =" or "GPA 94 -" in the table.

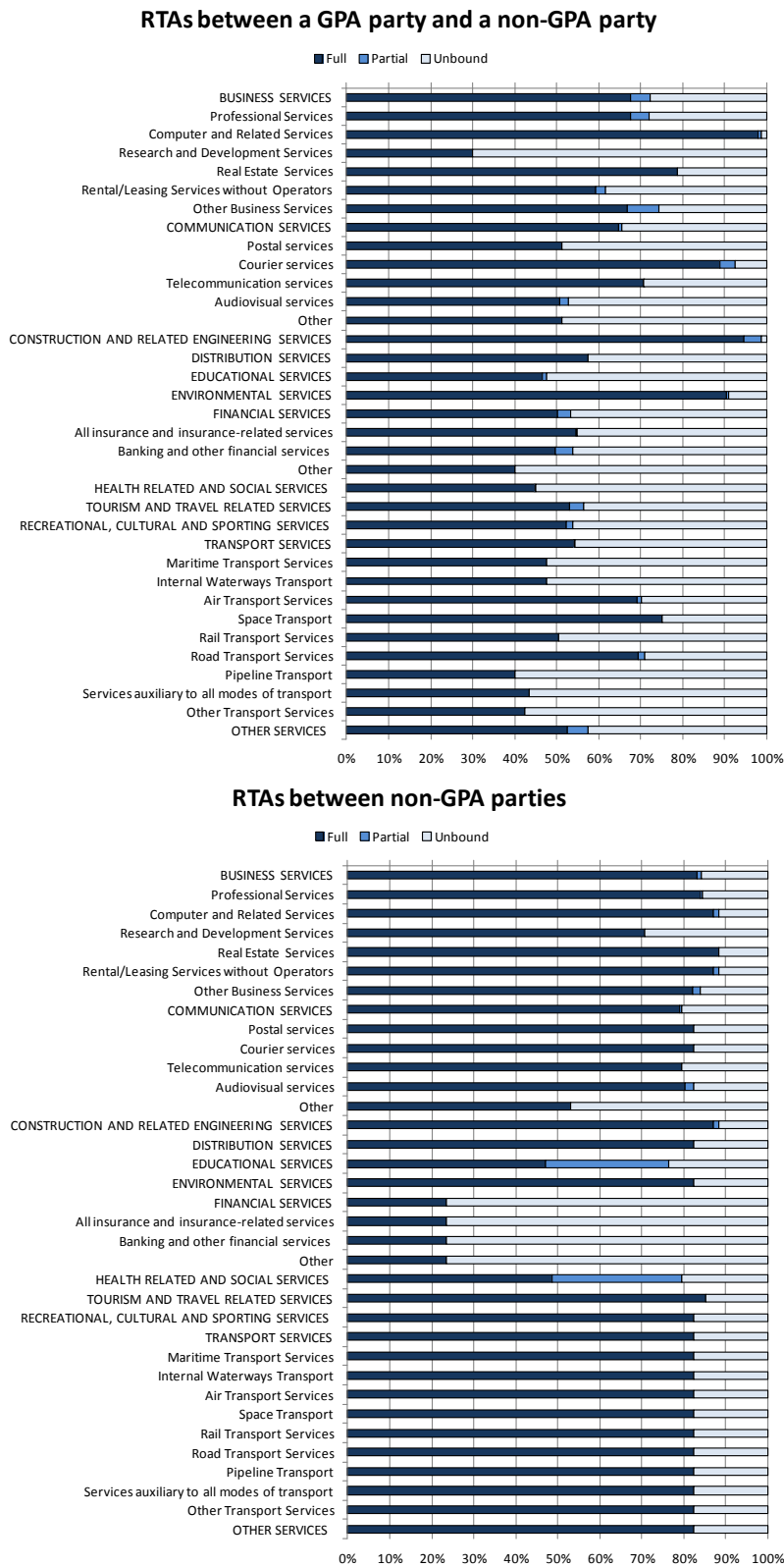
Table E.4. RTA services commitments by sector and comparison with GPA

W/120	Sectors	All RTAs (a)			GPA2012 with reciprocity (b)			Differences (percentage points)
		Full	Partial	Unbound	Full	Partial	Unbound	
1	<b>BUSINESS SERVICES</b>	60.7%	6.2%	33.2%	29.1%	9.9%	60.9%	27.8%
1 A	Professional Services	62.2%	5.0%	32.9%	28.3%	9.4%	62.3%	29.4%
1 B	Computer and Related Services	93.4%	3.2%	3.4%	77.1%	4.6%	18.3%	14.9%
1 C	Research and Development Services	27.7%	0.0%	72.3%	0.0%	0.0%	100.0%	27.7%
1 D	Real Estate Services	65.8%	0.4%	33.8%	26.2%	4.8%	69.0%	35.2%
1 E	Rental/Leasing Services without Operators	51.4%	3.2%	45.4%	7.4%	7.6%	85.0%	39.6%
1 F	Other Business Services	58.4%	9.8%	31.8%	27.7%	14.1%	58.2%	26.4%
2	<b>COMMUNICATION SERVICES</b>	58.4%	1.1%	40.5%	38.4%	2.5%	59.1%	18.6%
2 A	Postal services	43.8%	0.0%	56.2%	1.0%	0.0%	99.0%	42.9%
2 B	Courier services	75.4%	10.0%	14.6%	42.9%	43.8%	13.3%	-1.3%
2 C	Telecommunication services	65.3%	0.1%	34.6%	57.6%	0.2%	42.2%	7.6%
2 D	Audiovisual services	43.8%	2.3%	53.8%	2.1%	2.2%	95.7%	41.9%
2 E	Other	40.0%	0.0%	60.0%	1.0%	0.0%	99.0%	39.0%
3	<b>CONSTRUCTION AND RELATED ENGINEERING SERVICES</b>	91.2%	4.9%	3.8%	94.9%	5.1%	0.0%	-3.8%
4	<b>DISTRIBUTION SERVICES</b>	47.7%	0.0%	52.3%	1.3%	0.0%	98.7%	46.4%
5	<b>EDUCATIONAL SERVICES</b>	37.1%	4.6%	58.3%	4.8%	0.0%	95.2%	36.9%
6	<b>ENVIRONMENTAL SERVICES</b>	78.7%	6.2%	15.2%	57.9%	13.6%	28.6%	13.4%
7	<b>FINANCIAL SERVICES</b>	38.0%	2.4%	59.5%	29.9%	6.2%	64.0%	4.4%
7 A	All insurance and insurance-related services	42.1%	0.2%	57.7%	40.7%	2.1%	57.1%	-0.5%
7 B	Banking and other financial services	37.4%	3.4%	59.2%	28.7%	8.0%	63.3%	4.1%
7 C	Other	29.2%	0.0%	70.8%	1.0%	0.0%	99.0%	28.3%
8	<b>HEALTH RELATED AND SOCIAL SERVICES</b>	35.2%	4.2%	60.6%	1.0%	0.0%	99.0%	38.5%
9	<b>TOURISM AND TRAVEL RELATED SERVICES</b>	48.7%	2.9%	48.5%	9.5%	8.8%	81.7%	33.2%
10	<b>RECREATIONAL, CULTURAL AND SPORTING SERVICES</b>	44.5%	1.4%	54.2%	1.3%	0.8%	97.9%	43.8%
11	<b>TRANSPORT SERVICES</b>	46.9%	0.7%	52.4%	10.6%	1.6%	87.8%	35.4%
11 A	Maritime Transport Services	43.2%	0.1%	56.7%	6.2%	0.3%	93.5%	36.8%
11 B	Internal Waterways Transport	42.2%	0.0%	57.8%	4.9%	0.0%	95.1%	37.3%
11 C	Air Transport Services	58.3%	1.1%	40.6%	21.9%	2.5%	75.6%	35.0%
11 D	Space Transport	63.1%	0.0%	36.9%	20.0%	0.0%	80.0%	43.1%
11 E	Rail Transport Services	43.8%	0.0%	56.2%	6.9%	0.0%	93.1%	37.0%
11 F	Road Transport Services	58.5%	3.1%	38.5%	27.6%	7.0%	65.3%	26.9%
11 G	Pipeline Transport	36.2%	0.0%	63.8%	0.0%	0.0%	100.0%	36.2%
11 H	Services auxiliary to all modes of transport	38.7%	0.2%	61.2%	0.7%	1.2%	98.1%	36.9%
11 I	Other Transport Services	37.7%	0.8%	61.5%	0.0%	1.0%	99.0%	37.5%
12	<b>OTHER SERVICES</b>	44.6%	3.1%	52.3%	1.0%	0.0%	99.0%	46.7%
	<b>ALL SECTORS</b>	53.4%	3.1%	43.5%	25.3%	5.1%	69.5%	26.1%

Note: Differences are measured in percentage points by subtracting the aggregate percentage of full and partial commitments of (b) from those of (a).



Figure E.1. RTA services commitments by types of agreements



## Annex F. Government Procurement Provisions

Table F.1. RTA procurement provisions

	GPA2012 elements	Australia - Chile	Canada - Chile	Canada - Colombia	Canada - Israel	Canada - Peru	Chile - Colombia	Chile - Central America	Chile - Japan	Chile - Mexico	Colombia - Mexico	Costa Rica - Mexico	CAFTA - DR
		2009	1997	2011	1997	2009	2009	2002	2007	1999	1995	1995	2006
<b>1</b>	<b>General principles</b>												
1 1	a National treatment/non discrimination	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
1 2	a Prohibition of offsets	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
<b>2</b>	<b>Mechanism supporting multilateralisation</b>												
2 1	a Third-party MFN clauses												
2 1	b Third-party future negotiation clauses	Y	Y	Y		Y	Y		Y	Y			
<b>3</b>	<b>Information on procurement systems and opportunities</b>												
3 1	a Publication of laws, regulations	Y	Y	Y	Y	Y	Y			Y	Y	Y	Y
3 2	a Notice of intended procurement	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
3 3	a Summary notice				Y								
3 4	a Encouragement to publish notice of planned procurement	Y	Y	Y	Y	Y				Y			Y
<b>4</b>	<b>Qualification criteria</b>												
4 1	a Conditions for participation (general)	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y
4 2	a Prohibition of imposing conditions of previous awards	Y	Y	Y	Y	Y	Y			Y			
4 3	a Invite tenders from the largest number of suppliers and select the suppliers in a fair and non-discriminatory manner	Y								Y	Y	Y	
4 3	b Requirement of advance disclosures of criteria and limitation on the number of applicants	Y		Y	Y	Y							
4 4	a Procuring entity decisions (results only)								Y				
4 4	b Information on procuring entity decisions with written explanation of reasons	Y	Y	Y	Y	Y	Y				Y	Y	Y
<b>5</b>	<b>Evaluation criteria for contract award</b>												
5 1	a Technical specification (general)	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
5 2	a Conservation of natural resources or protect environment	Y		Y	Y	Y							Y
5 3	a Awarding of contracts (general)	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
5 4	a Prohibition to modify awarded contracts for circumvention	Y	Y	Y	Y	Y	Y						Y
<b>6</b>	<b>Use of information technology</b>												
6 1	a Information technology (requirements of interoperability and security)	Y	Y <sup>3</sup>		Y				Y <sup>3</sup>	Y <sup>3</sup>			
6 2	a Accessibility of notices through an electronic single point of access/gateway	Y	Y <sup>4</sup>	Y	Y	Y	Y <sup>4</sup>	Y <sup>5</sup>	Y <sup>4</sup>	Y			
6 3	a Electronic auctions	Y			Y								
<b>7</b>	<b>Time periods</b>												
7 1	a Standard time periods (submission of tenders : 40 days: GPA=)			Y	Y	Y					Y	Y	Y
7 1	b Standard time periods (submission of tenders : 30 days)	Y	Y							Y			
7 1	c Standard time periods (submission of tenders : 10 days)						Y						
7 1	d Standard time periods (submission of tenders : adequate time period/ no deadline)								Y				
7 2	a Further flexibility of time limit	Y	Y	Y	Y	Y							Y
<b>8</b>	<b>Transparency of decisions on contract awards</b>												
8 1	a Publication of award information (not later than 72 days: GPA=)			Y	Y	Y							
8 1	b Publication of award information (not later than 60 days: GPA+)	Y											
8 1	c Publication of award information (no deadline)		Y				Y	Y	Y	Y	Y	Y	Y
8 2	a Information provided to suppliers (results of contract award decisions and explanation of the reasons why they were not selected)	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y
8 3	a Information provided to parties (disclosure of information)			Y	Y	Y			Y		Y	Y	
<b>9</b>	<b>Domestic reviews</b>												
9 1	a Domestic reviews / Bid challenges	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
<b>10</b>	<b>Prevention of corruption</b>												
10 1	a Conduct of procurement (avoids conflicts of interests, prevents corrupt practices)	Y		Y	Y	Y							
10 1	b Ensuring integrity in procurement practices	Y	Y				Y		Y				Y
<b>11</b>	<b>Others</b>												
11 1	a SME participation										Y	Y	

 Note: Y<sup>1</sup> : Only for the European Union, EFTA and Japan respectively

 Y<sup>2</sup> : Only for Mexico

 Y<sup>3</sup> : Protect documentation from unauthorised/undetected alteration and to provide appropriate levels of security for data

 Y<sup>4</sup> : Encouragement to ensure an accessibility of notices through an electronic single point of access/gateway

 Y<sup>5</sup> : Set up/maintain an electronic information system, or grant access to the other party's suppliers to procurement information

	GPA2012 elements	EU -	EU -	EU -	EFTA -	EFTA -	EFTA -	EFTA -	EFTA -	EFTA -	EFTA -	EFTA -	EFTA -
		CARIFORUM	Chile	Mexico	Canada	Chile	Colombia	Korea	Mexico	Peru	Singapore	Ukraine	EU - Korea
		2008	2003	2000	2009	2004	2011	2006	2001	2011	2003	2012	2011
<b>1</b>	<b>General principles</b>												
1 1	a National treatment/non discrimination	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
1 2	a Prohibition of offsets		Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
<b>2</b>	<b>Mechanism supporting multilateralisation</b>												
2 1	a Third-party MFN clauses												
2 1	b Third-party future negotiation clauses		Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
<b>3</b>	<b>Information on procurement systems and opportunities</b>												
3 1	a Publication of laws, regulations	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
3 2	a Notice of intended procurement	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
3 3	a Summary notice			Y <sup>1</sup>	Y			Y	Y <sup>1</sup>		Y	Y	Y
3 4	a Encouragement to publish notice of planned procurement	Y	Y	Y	Y		Y	Y		Y	Y	Y	Y
<b>4</b>	<b>Qualification criteria</b>												
4 1	a Conditions for participation (general)	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
4 2	a Prohibition of imposing conditions of previous awards	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y
4 3	a Invite tenders from the largest number of suppliers and select the suppliers in a fair and non-discriminatory manner		Y	Y		Y			Y				
4 3	b Requirement of advance disclosures of criteria and limitation on the number of applicants	Y			Y		Y	Y		Y	Y	Y	Y
4 4	a Procuring entity decisions (results only)	Y	Y	Y <sup>1</sup>		Y			Y <sup>1</sup>				
4 4	b Information on procuring entity decisions with written explanation of reasons	Y		Y <sup>2</sup>	Y		Y	Y	Y <sup>2</sup>	Y	Y	Y	Y
<b>5</b>	<b>Evaluation criteria for contract award</b>												
5 1	a Technical specification (general)	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
5 2	a Conservation of natural resources or protect environment	Y			Y		Y	Y		Y	Y	Y	Y
5 3	a Awarding of contracts (general)		Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
5 4	a Prohibition to modify awarded contracts for circumvention	Y			Y		Y	Y		Y	Y	Y	Y
<b>6</b>	<b>Use of information technology</b>												
6 1	a Information technology (requirements of interoperability and security)	Y		Y <sup>3</sup>	Y		Y	Y		Y	Y	Y	Y
6 2	a Accessibility of notices through an electronic single point of access/gateway	Y	Y <sup>5</sup>	Y <sup>5</sup>	Y <sup>5</sup>	Y	Y	Y	Y	Y	Y	Y	Y
6 3	a Electronic auctions	Y			Y		Y	Y		Y	Y	Y	Y
<b>7</b>	<b>Time periods</b>												
7 1	a Standard time periods (submission of tenders : 40 days: GPA=)		Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
7 1	b Standard time periods (submission of tenders : 30 days)												
7 1	c Standard time periods (submission of tenders : 10 days)												
7 1	d Standard time periods (submission of tenders : adequate time period/ no deadline)	Y											
7 2	a Further flexibility of time limit	Y	Y		Y	Y	Y	Y		Y	Y	Y	Y
<b>8</b>	<b>Transparency of decisions on contract awards</b>												
8 1	a Publication of award information (not later than 72 days: GPA=)	Y		Y <sup>2</sup>	Y		Y	Y	Y <sup>2</sup>	Y	Y	Y	Y
8 1	b Publication of award information (not later than 60 days: GPA+)												
8 1	c Publication of award information (no deadline)		Y			Y							
8 2	a Information provided to suppliers (results of contract award decisions and explanation of the reasons why they were not selected)	Y	Y	Y <sup>2</sup>	Y	Y	Y	Y	Y <sup>2</sup>	Y	Y	Y	Y
8 3	a Information provided to parties (disclosure of information)			Y	Y		Y	Y	Y	Y	Y	Y	Y
<b>9</b>	<b>Domestic reviews</b>												
9 1	a Domestic reviews / Bid challenges	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
<b>10</b>	<b>Prevention of corruption</b>												
10 1	a Conduct of procurement (avoids conflicts of interests, prevents corrupt practices)	Y			Y		Y	Y		Y	Y	Y	Y
10 1	b Ensuring integrity in procurement practices												
<b>11</b>	<b>Others</b>												
11 1	a SME participation						Y			Y			

	GPA2012 elements	Hong Kong -												
		EFTA	New Zealand	Israel - Mexico	Japan - Mexico	Japan - Peru	Japan - Singapore	Japan - Switzerland	Korea - Chile	Korea - Singapore	Korea - US	Mexico - Nicaragua	New Zealand - Singapore	
		2002	2011	2000	2005	2012	2002	2009	2004	2006	2012	1998	2001	
<b>1</b>	<b>General principles</b>													
1 1 a	National treatment/non discrimination	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	
1 2 a	Prohibition of offsets	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	
<b>2</b>	<b>Mechanism supporting multilateralisation</b>													
2 1 a	Third-party MFN clauses													
2 1 b	Third-party future negotiation clauses			Y	Y	Y		Y	Y					
<b>3</b>	<b>Information on procurement systems and opportunities</b>													
3 1 a	Publication of laws, regulations	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y		
3 2 a	Notice of intended procurement	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	
3 3 a	Summary notice	Y		Y	Y <sup>1</sup>		Y	Y		Y	Y			
3 4 a	Encouragement to publish notice of planned procurement	Y	Y	Y		Y		Y		Y	Y			
<b>4</b>	<b>Qualification criteria</b>													
4 1 a	Conditions for participation (general)	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	
4 2 a	Prohibition of imposing conditions of previous awards	Y	Y	Y				Y	Y		Y			
4 3 a	Invite tenders from the largest number of suppliers and select the suppliers in a fair and non-discriminatory manner			Y	Y		Y			Y		Y	Y	
4 3 b	Requirement of advance disclosures of criteria and limitation on the number of applicants	Y	Y					Y			Y			
4 4 a	Procuring entity decisions (results only)				Y <sup>1</sup>		Y			Y				
4 4 b	Information on procuring entity decisions with written explanation of reasons	Y	Y	Y	Y <sup>2</sup>	Y		Y			Y	Y		
<b>5</b>	<b>Evaluation criteria for contract award</b>													
5 1 a	Technical specification (general)	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	
5 2 a	Conservation of natural resources or protect environment	Y	Y			Y		Y			Y			
5 3 a	Awarding of contracts (general)	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	
5 4 a	Prohibition to modify awarded contracts for circumvention	Y	Y	Y				Y			Y			
<b>6</b>	<b>Use of information technology</b>													
6 1 a	Information technology (requirements of interoperability and security)	Y	Y			Y <sup>3</sup>		Y			Y			
6 2 a	Accessibility of notices through an electronic single point of access/gateway	Y	Y	Y		Y <sup>4</sup>		Y	Y	Y	Y		Y <sup>4</sup>	
6 3 a	Electronic auctions	Y	Y					Y						
<b>7</b>	<b>Time periods</b>													
7 1 a	Standard time periods (submission of tenders : 40 days: GPA=)	Y		Y	Y		Y	Y		Y	Y	Y		
7 1 b	Standard time periods (submission of tenders : 30 days)													
7 1 c	Standard time periods (submission of tenders : 10 days)		Y						Y					
7 1 d	Standard time periods (submission of tenders : adequate time period/ no deadline)					Y								
7 2 a	Further flexibility of time limit	Y	Y					Y			Y			
<b>8</b>	<b>Transparency of decisions on contract awards</b>													
8 1 a	Publication of award information (not later than 72 days: GPA=)	Y		Y	Y		Y	Y		Y	Y			
8 1 b	Publication of award information (not later than 60 days: GPA+)													
8 1 c	Publication of award information (no deadline)		Y			Y		Y			Y			
8 2 a	Information provided to suppliers (results of contract award decisions and explanation of the reasons why they were not selected)	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	
8 3 a	Information provided to parties (disclosure of information)	Y		Y	Y	Y	Y	Y		Y	Y	Y		
<b>9</b>	<b>Domestic reviews</b>													
9 1 a	Domestic reviews / Bid challenges	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	
<b>10</b>	<b>Prevention of corruption</b>													
10 1 a	Conduct of procurement (avoids conflicts of interests, prevents corrupt practices)	Y	Y			Y		Y						
10 1 b	Ensuring integrity in procurement practices		Y											
<b>11</b>	<b>Others</b>													
11 1 a	SME participation											Y		

	GPA2012 elements	NAFTA	Peru - Korea	Singapore - Australia	TPSEP	US - Australia	US - Bahrain	US - Chile	US - Morocco	US - Oman	US - Peru	US - Singapore
		1994	2011	2003	2006	2005	2006	2004	2006	2009	2009	2004
		<b>1 General principles</b>										
1 1 a	National treatment/non discrimination	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
1 2 a	Prohibition of offsets	Y	Y		Y	Y	Y	Y	Y	Y	Y	Y
<b>2 Mechanism supporting multilateralisation</b>												
2 1 a	Third-party MFN clauses											
2 1 b	Third-party future negotiation clauses		Y	Y				Y				
<b>3 Information on procurement systems and opportunities</b>												
3 1 a	Publication of laws, regulations	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
3 2 a	Notice of intended procurement	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
3 3 a	Summary notice		Y									Y
3 4 a	Encouragement to publish notice of planned procurement	Y	Y		Y	Y	Y	Y	Y	Y	Y	
<b>4 Qualification criteria</b>												
4 1 a	Conditions for participation (general)	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
4 2 a	Prohibition of imposing conditions of previous awards	Y	Y			Y	Y	Y	Y	Y	Y	
4 3 a	Invite tenders from the largest number of suppliers and select the suppliers in a fair and non-discriminatory manner	Y				Y						Y
4 3 b	Requirement of advance disclosures of criteria and limitation on the number of applicants	Y	Y								Y	
4 4 a	Procuring entity decisions (results only)											Y
4 4 b	Information on procuring entity decisions with written explanation of reasons	Y	Y			Y	Y	Y	Y	Y	Y	
<b>5 Evaluation criteria for contract award</b>												
5 1 a	Technical specification (general)	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
5 2 a	Conservation of natural resources or protect environment	Y	Y			Y	Y	Y	Y	Y	Y	
5 3 a	Awarding of contracts (general)	Y	Y		Y	Y	Y	Y	Y	Y	Y	Y
5 4 a	Prohibition to modify awarded contracts for circumvention	Y	Y		Y	Y	Y	Y	Y	Y	Y	
<b>6 Use of information technology</b>												
6 1 a	Information technology (requirements of interoperability and security)	Y	Y	Y	Y <sup>3</sup>							
6 2 a	Accessibility of notices through an electronic single point of access/gateway	Y	Y	Y <sup>4</sup>	Y			Y			Y <sup>4</sup>	
6 3 a	Electronic auctions	Y	Y									
<b>7 Time periods</b>												
7 1 a	Standard time periods (submission of tenders : 40 days: GPA=)	Y	Y				Y		Y	Y	Y	Y
7 1 b	Standard time periods (submission of tenders : 30 days)					Y		Y				
7 1 c	Standard time periods (submission of tenders : 10 days)				Y							
7 1 d	Standard time periods (submission of tenders : adequate time period/ no deadline)											
7 2 a	Further flexibility of time limit	Y	Y			Y	Y	Y	Y	Y	Y	
<b>8 Transparency of decisions on contract awards</b>												
8 1 a	Publication of award information (not later than 72 days: GPA=)	Y	Y									Y
8 1 b	Publication of award information (not later than 60 days: GPA+)					Y	Y			Y	Y	
8 1 c	Publication of award information (no deadline)			Y	Y			Y	Y			
8 2 a	Information provided to suppliers (results of contract award decisions and explanation of the reasons why they were not selected)	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
8 3 a	Information provided to parties (disclosure of information)	Y	Y			Y	Y			Y	Y	Y
<b>9 Domestic reviews</b>												
9 1 a	Domestic reviews / Bid challenges	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
<b>10 Prevention of corruption</b>												
10 1 a	Conduct of procurement (avoids conflicts of interests, prevents corrupt practices)	Y	Y	Y								
10 1 b	Ensuring integrity in procurement practices				Y	Y	Y	Y	Y	Y	Y	
<b>11 Others</b>												
11 1 a	SME participation	Y	Y	Y								