

# **THE WTO AGREEMENT ON GOVERNMENT PROCUREMENT: DEVELOPMENTAL AND TRADE SIGNIFICANCE, CHANGING CONTEXT AND FUTURE PROSPECTS**

**Work of UNCITRAL on government procurement:  
purpose, objectives, and complementarity  
with the work of the WTO**

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Caroline Nicholas  
UNCITRAL Secretariat  
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# Work of UNCITRAL on government procurement: purpose, objectives, and complementarity with the WTO

## UNCITRAL Model Law

- **Purpose: a model for modern procurement legislation**
- **Law reform for outdated national systems**
- **Economies in transition/developing countries**

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## GPA

- **multilateral framework for government procurement ... [to achieve] greater liberalization and expansion of world trade ...**

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## Express objectives of UNCITRAL Model Law

- **Transparency**
- **Integrity (anti-corruption)**
- **Participation and competition**
- **Fair and equitable treatment**
- **Economy and efficiency**

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## GPA “cornerstone principles”

- **Non-discrimination**
- **Transparency**

## Other procurement objectives

- **Accountability**
- **Uniformity**

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## Main issues to consider

- **Transparency**
- **Competition**
- **Objectivity**
- **Non-discrimination**

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## Transparency, competition and objectivity (1)

- **Mandated procurement methods**
- **Procedures**
  - To identify, specify items to be purchased
  - To determine which suppliers can participate

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## Transparency, competition and objectivity (2)

- **Open procedures unless justification for exclusion**
- **Pre-determined evaluation criteria and award procedures**
- **Review (challenge) when rules/procedures breached**



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## Non discrimination and special measures

### National systems (“Economic model”)

- “Allocative efficiency”
- Lowest price
- Value for money

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## Non discrimination and special measures

### National systems (“Social model”)

- **Economic model + other policy objectives**
  - **Promotion of SMEs/domestic industry/exclusion of defence**

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## Non discrimination and special measures

### “International model”

- **Economic efficiency +**
- **International trade objectives – eg non discrimination**

## **Work of UNCITRAL on government procurement: purpose, objectives, and complementarity with the WTO**

- **GPA = international model**
  - **Plurilateral framework for government procurement**
- **UNCITRAL = economic + social model**
  - **Model law for national Governments**

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## Exemptions:

- **UNCITRAL/GPA allow limited exclusions (sectors of economy)**
- **National Treatment and Non-Discrimination under GPA**
- **Social factors in Model Law: national procurement, margins of preference**

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## Conclusions

- **Are the GPA and UNCITRAL consistent?**
- **Essentially, yes**
  - **Common objectives and procedures**
  - **Differences at the margin**

# Work of UNCITRAL on government procurement: purpose, objectives, and complementarity with the WTO

- **Details of UNCITRAL's work**

[www.uncitral.org](http://www.uncitral.org)

[http://www.uncitral.org/uncitral/en/commission/working\\_groups/1Procurement.html](http://www.uncitral.org/uncitral/en/commission/working_groups/1Procurement.html)