

GENERAL AGREEMENT ON

TARIFFS AND TRADE

RESTRICTED

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COMMITTEE ON GOVERNMENT PROCUREMENT

Meeting of 23 April 1991

Note by the Chairman

1. The Committee elected Mr. David Hayes (United Kingdom) as Chairman and Mr. Amichai Perry (Israel) as Vice-Chairman.
2. A report on work undertaken in the Informal Working Group on Negotiations (see Annex) was presented to the Committee from the outgoing Chairman, Mr. Nils-Erik Schyberg (Sweden).
3. On the accession of further countries to the Agreement, the Committee took note of statements made by Canada, the EEC, Japan, Sweden and the United States with reference to the initial offer and a subsequent explanatory note from the Republic of Korea. These delegations, as well as the observer for Korea confirmed that further bilateral consultations were underway with a view to Korean accession to the Agreement as soon as possible.
4. The Committee concluded the review of 1988 statistics; invited the EEC, Israel, Sweden, Switzerland and the United States who had not yet submitted 1989 figures to do so by 31 May; invited delegations to circulate written questions concerning individual 1989 reports not later than 30 June 1991; agreed to begin the 1989 review at its next meeting; and fixed 30 September as the date for submitting 1990 statistics.
5. The Committee reverted to the question of establishing a uniform classification system for statistical purposes. It was agreed to keep the matter on the agenda for the next meeting, but the Committee noted the United States' suggestion that a decision might be postponed until the coverage of a broadened and expanded Agreement become clearer.
6. General points were raised concerning implementation and administration of the Agreement. The use of buy-national clauses by the United States were commented upon by the EC. This included the possible reintroduction of such a requirement in respect of ball bearings. The United States referred to other discriminatory measures in the EEC and also mentioned problems of compliance in some countries with the Agreement's requirements to debrief unsuccessful tenderers upon request, and to publish post-award information.
7. Concrete cases were also raised relating to United States' procurement of a sonor mapping system (by the EC), and to procurement by Norway of electronic toll collection equipment, on which the United States reserved its rights under the Agreement. The Committee agreed to come back to this issue at the next meeting if either of the two Parties desired.

8. The Committee received a draft notification which the EEC would table formally under Article IX:5(a) and (b). It was agreed to revert to this matter at its next meeting.

9. The EEC made available to the Secretariat for distribution to members a report which its authorities had issued on "trade barriers and unfair practices" in the United States.

10. It was also noted that the United States expected to issue a report at the end of April concerning Title VII of its Trade and Competitiveness Act.

11. The Chairman informed the Committee of work done on government procurement in the Uruguay Round at the Brussels Ministerial and that no technical work had subsequently been suggested in discussion under GATT rules and disciplines.

12. The Committee agreed to maintain the existing roster of panel candidates, with the modifications notified by Finland. It noted the further derestriction of documents and agreed to take up at its next meeting a suggestion by the Chairman that Committee minutes should be derestricted after a certain period of time.

13. Dates for further formal and informal meetings will be fixed by the Chairman in consultation with delegations.

Annex

WORK UNDERTAKEN IN THE ARTICLE IX:6(B) NEGOTIATIONS
SINCE THE COMMITTEE'S MEETING OF 5 OCTOBER 1990

Report to the Committee

This report is made on my own responsibility and without prejudice to the positions of delegations.

Substantive progress was achieved in the Article IX:6(b) negotiations during the autumn of 1990. Regarding the meetings of August and early October last year, the Committee received a progress report at its last meeting. Further extensive discussions took place bilaterally and plurilaterally amongst delegations and further work was undertaken in the Informal Working Group on Negotiations in the period of 22-26 October 1990. By this meeting seven Parties had tabled offers/requests under the procedures set out in Annex I to the minutes of the Committee's previous meeting (GPR/M/38). One day of this period was set aside for expert discussions on construction/public works. The Group exchanged information and discussed possible amendments and additions to Code provisions to deal with special characteristics of such procurement activities. A higher threshold is an example in this regard. The Group discussed textual proposals for the introduction into the Code of a "bid challenge" procedure as well as other possible amendments and additions in the light of the positions of individual delegations on broadening of the Agreement and its extension to cover service contracts.

In the period of 12-22 November 1990 further meetings of Informal Working Group were held and further bilateral and plurilateral discussions were carried out. One more Party tabled offers/requests during this period and another Party did so very shortly thereafter. The Group again reverted to construction/public works and discussed all other elements which could constitute a possible overall agreement, including some draft legal texts tabled without prejudice.

It is my personal overall assessment of the situation that the most difficult problems relate to the entity negotiations and balance. Several of the other outstanding questions are, in my opinion, minor in comparison or technical in nature, or depend on the settlement of political problems relating to the entity negotiations and balance.

At the November meeting a deadline for the conclusion of the negotiations was considered necessary by several delegations. The working hypothesis of a number of delegations was that a new Agreement was to enter into force on 1 January 1993, with the possibility of transitional periods for certain Parties in certain matters. This date would need to be confirmed. Also outstanding are the modalities for transitional periods, as well as for procedures in the interim before the date of entry into force, which might be necessary in order to ensure implementation of the agreed results by the agreed date.