

# GENERAL AGREEMENT ON TARIFFS AND TRADE

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## Committee on Government Procurement

### FORMAT FOR PRESENTATION OF 1982 STATISTICS Working Paper by the Secretariat

1. At its meeting held on 23 February 1983 the Committee requested the secretariat to prepare, in consultation with delegations, a common format for presentation of the 1982 statistics, which would formally be agreed upon at the meeting fixed for 25-27 May 1983. In this connection, the Committee agreed that the 1982 figures should be given in SDRs (GPR/M/Spec/3, paragraph 43). The present working paper has been drawn up in response to the request, taking into account various comments made. It is, of course, without prejudice to the Committee's interpretation of the language of Article VI:9 and to the decisions it might take with respect to 1982 statistics and subsequent statistical reports.

2. Article VI:9 of the Agreement provides that Parties shall collect and report three sets of statistics. This paper discusses and makes suggestions on each of these in turn.

I. Report under Article VI:9(a): Global statistics on estimated value of contracts awarded, both above and below the threshold value.

3. At its first meeting in January 1981, the Committee agreed that "in reports to be submitted pursuant to Article VI:9(a), Parties will provide three figures, i.e. the estimated value of contracts awarded above the threshold, the estimated value of contracts awarded below the threshold, and the sum." (GPR/M/1; Annex III). In their 1981 reports, five Parties reported total figures whereas five Parties also gave figures for each entity<sup>1</sup>. Some entities in two of the latter Parties had not made purchases; one of these Parties also listed all such entities. The Committee might wish to confirm its previous decision, with the precision that all figures should include single tendering. It might invite Parties in a position to do so to break down Article VI:9(a) reports on each entity which has made purchases. Parties who so wished would be free to make a further breakdown, indicating purchases under open or selective procedures and purchases under single tendering. The suggestion has also been made that the grand total of purchases made by entities covered by the Agreement should be expressed also as a percentage of the gross domestic product.

4. According to the data available for 1981, one Party had made purchases above the threshold which, by virtue of a note in that Party's entity list, were not covered by the Agreement. This Party reported "Code covered", respectively "Non-Code covered" purchases. All other Parties reported figures for purchases made above, respectively below, the threshold value. Some delegations have supported an idea that above-threshold purchases made under notes in individual entity lists, be included in the figures for above-threshold purchases, and that each Party be invited to provide such

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<sup>1</sup>One Party has one entity in its list.

further information as may be necessary to identify Code-covered procurement. Other delegations have pointed out that statistics on non-Code covered procurement would either not be available or are not required under the Agreement. The question of statistics on specific derogations is dealt with in another context (GPR/M/7, paragraph 48 and GATT/AIR/UNNUMBERED of 9 March 1983) and in the circumstances any particular explanations might be left to each Party concerned.

5. Finally, it is recalled that according to paragraph 1 of Article VIII "Nothing in this Agreement shall be construed to prevent any Party from .....not disclosing any information which it considers necessary for the protection of its essential security interests relating to the procurement of arms, ammunition or war materials, or to procurement indispensable for national security or for national defence purposes".

6. The proposed format contained in Annex A is based on the above considerations.

II. Report under Article VI:9(b): Statistics on number and total value of contracts awarded above the threshold value, broken down by entities, categories of products and either nationality of the winning tenderer or country of origin of the product, according to a recognized trade or other appropriate classification system.

7. Article VI:9(b) requires a large amount of data to be given. Ideally, the presentation should not only satisfy these requirements, but also permit a quick survey of the information, if possible without going beyond the A4 size. The suggestions below have had these considerations in mind.

8. The suggestion has been made that since Article VI:9(b) covers all procurement made above the threshold, also single tendering contracts should be included. Only two Parties enumerated explicitly in the Article VI:9(b) reports for 1981 entities that had not made purchases above the threshold. It is suggested that such entities need not be included.

9. In the 1981 reports five Parties took the entity lists as the starting point; four (including two whose submissions covered single entities) reported according to product categories; two reports gave separate tables based on each of these approaches. The latter technique would give the most detailed information in the case of countries which have more than one entity covered. Annex B contains two lay-cuts, one based on the lists of entities, and another which summarizes information according to product groupings.

10. With respect to the first of these tables, in order to save space and in an attempt to combine the presentational advantages of the different layouts used, it is suggested that the relevant groupings of products procured - as defined by the Committee (GPR/M/1, Annex III) - be indicated below each entity, in the same (first) column. It would be sufficient to

indicate the number of such groupings, without text. However, any Party would be free to provide more product details in this column by way of more precise product descriptions or tariff nomenclature.

11. It is further suggested that the numbers and values of contracts awarded by each entity be given in a separate (second) column, outside of each product category in question.

12. The values and numbers awarded according to nationality of winning tenderer/origin of product purchased, might be given in subsequent columns, again outside each product entry. In the 1981 reports, four Parties gave this information in a single column; one Party split the data in two columns (domestic origin and "abroad"); two Parties had columns for each country (including non-Parties) which had actually been awarded contracts; four Parties showed columns for each Party (whether or not purchases had been made), three of these had a separate column for other countries. Of nine reports which showed that purchases had been made from non-Parties, six identified these sources.<sup>1</sup> It is suggested that columns be required only in respect of those Parties which have actually been awarded contracts, and that purchases originating in Non-Parties be indicated in a separate column, the naming of such other sources being optional. It is further suggested that all values be added up, to grand totals and sub-totals. Under the procedures adopted (GPR/M/1, Annex III) ten Parties report according to product origin and one according to nationality of tenderer. Any deviation from this due to practical problems might be explained in footnotes or otherwise.

13. The problem of confidentiality arose in a few cases in the 1981 exercise. It is suggested that if a Party cannot disclose figures on individual purchases, this should be indicated in a special column for comments. If a need for confidentiality arises out of situations foreseen in Article VIII, the Party in question is free not to disclose such information (see paragraph 5 above). However, if the problem relates to business confidentiality and more than one source is involved in contracts for a particular product category, data on individual sources might be grouped together so as to indicate the combined foreign share whenever this can be done without identifying contract values.

14. The suggestion has also been made that purchases made under specific derogations be identified separately in the Article VI:9(b) reports. This matter may have to be dealt with in the same manner as for Article VI:9(a). (See paragraph 4 above).

III. Report under Article VI:9(c): Statistics on the total number and value of contracts awarded under each of the cases of Article V, paragraph 15.

15. Of the nine Parties whose individual 1981 reports covered more than one entity, six did not split up these statistics on entities. It is suggested

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<sup>1</sup>Including EC member States where such data are reported.

that such details not be required but that each Party may provide such figures if they so wish. The same would apply to breakdowns on product categories, which one Party provided. With respect to sources of origin/nationality of tenderer, the suggestion has been made that the total numbers and values for domestic, respectively foreign sourcing, be indicated.

16. The figures in this report would only include purchases above the threshold.

17. A draft layout is contained in Annex C.

Annex A

1. Article VI:9(a): Global statistics on estimated value of contracts awarded, both above and below the threshold value.

'000 SDR (Figures included for purely illustrative purposes)

A. Format when no break-downs on entities:

Contracts awarded above the threshold value of SDR 150,000 (incl. single tendering)	15,000	Code-covered contracts*	14,000*
Contracts awarded below the threshold value of SDR 150,000 (incl. single tendering)	8,000	Non-Code-covered contracts*	9,000*
Total contracts awarded	23,000		23,000

\*Each Party would be free to indicate whether or not all contracts above the threshold were Code-covered. This could be done for instance, by using the format on the right-hand side ("Code-covered, etc").

B. Format when break-downs on entities (optional information)

Code-covered entities which have made purchases	Contracts awarded above the threshold value of SDR 150,000 (incl. single tendering)	Contracts awarded below the threshold value of SDR 150,000 (incl. single tendering)	Total contracts awarded
Entity A	4000(3000)*	1000	5000
Entity B	5000	2000	7000
Entity C	6000	3000	9000
Entity D	0	2000	2000
Grand total	15000(14000)*	8000	23000

\*Each Party would be free to provide additional breakdowns or data not required by the Agreement. The figure in parenthesis in this example gives Code-covered purchases. In this case Entity A has awarded SDR 1,000,000 by virtue of notes in the entity list (specific derogations).

2. Article VI:9(b): Statistics on number and total value of contracts awarded above the threshold value, broken down by entities, categories of products and either nationality of the winning tenderer or country of origin of the product, according to a recognized trade or other appropriate classification system.

A. Article VI:9(b) - Statistics according to procuring entities

1000 SDR (Figures included for purely illustrative purposes)

Entity/Product Category	Value and, in parenthesis, number of contracts awarded	Party I	Party II	Party III	Party X	Non-Parties	Comments	
		Origin of products purchased (all Parties except the EEC)/Nationality of winning tenderer (EEC)						
		Values and, in parenthesis, number of contracts						
Entity A								
1) Further	2000(4)	1000(2)	1000(2)					
5) details would	1000(2)	1000(2)						
7) be optional	1000(6)	300(2)	300(2)			400(2) [Country N]		
Total	4000*(12)*	2300(6)	1000(2)	300(2)		400(2)		
Entity B								
5	1000(2)	1000(2)						
12	4000(5)	2000(5)	1/	1/			1/2000(1): shared between Parties II & X,*	
Total	5000(7)	3000(7)					2000(1): Parties II & X	
Entity C								
3	3500(6)	1300(3)		2200(3)				
12	2500(2)	2500(2)						
Total	6000(8)	3800(5)		2200(3)				
Grand total	15000(27)	9100(18)	1000(2)	2500(5)		400(2)	400(2): [Other countries] [Country N]; 2000(1): Parties II & X	

Note: Each Party would be free to indicate whether or not all contracts were Code-covered.

\*For illustrative purposes the problem of business confidentiality is assumed to arise in this particular case. One contract at SDR3000 (for product grouping No.12) was split between one domestic source (SDR1000) and two foreign sources (total SDR2000). The domestic share is included in the figure (SDR2000) for Party I. The combined foreign share (SDR2000) is indicated in the "Comments" column. The contract is counted for both under Party I and in the comment column.

Annex B continued

B. Article VI:9(b) - Statistics according to product categories

'000 SDR (Figures included for purely illustrative purposes)

Product/ Category	Value and, in parenthesis, number of con- tracts awarded	Party I	Party II	Party III	Party X	Non-Parties	Comments
1)	2000(4)	1000(2)	1000(2)				
3)	3500(6)	1300(3)		2200(3)			
5) Further details	2000(4)	2000(4)					
7) optional would be	1000(6)	300(2)		300(2)		400(2)	[Country N]
12)	6500(7)	4500(7)	1/		1/		1/2000(1) shared between Parties II&X

Annex C

3. Article VI:9(c): Statistics on the total number and value of contracts awarded under each of the cases of Article V, paragraph 15.

'000 SDR (Figures included for purely illustrative purposes)

Article V:15	Number of contracts	of which foreign	Value of contracts	of which foreign
Subparagraph (a)	5	1	3000	1000
" (b)	2	0	2000	0
" (c)	10	5	5000	3000
" (d)	1	0	1000	0
" (e)	0	0	0	0
<b>Total</b>	<b>18</b>	<b>6</b>	<b>11000</b>	<b>4000</b>