

GENERAL AGREEMENT ON

TARIFFS AND TRADE

RESTRICTED

L/6645

23 February 1990

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COMMITTEE ON GOVERNMENT PROCUREMENT

Meeting of 19 January 1990

Note by the Chairman

1. The Committee met to consider the recourse to Article VII:6 by one Party with respect to procurement of electronic toll collection equipment in another Party. The complaining delegation explained the details of the case it brought. In its opinion, a political intervention had prevented the due award to its supplier of a contract which fell under the rules of the Agreement. It noted, among other things, that since the contract in question had been awarded a commercial opportunity had been lost, and that follow-up problems were also involved. Although it preferred to move quickly towards a stage of legal determination it was prepared to continue bilateral consultations and accepted the good offices of the Committee. The other Party explained that replies were under preparation in response to numerous and complex questions which had been raised in the bilateral discussions, which continued in accordance with the provisions of the Agreement. It considered that it was difficult to discuss the substance of the matter in the Committee until the other Party had had time to study the full response. It held the view that the Agreement had been followed in the matter, in particular Article II, and that a supplier of the other country had not received treatment less favourable than local and other foreign suppliers.

2. The Committee took note of the statements and encouraged continuation of efforts towards finding a solution.

3. The Committee agreed with the Chairman's statement that, at the meeting of the Informal Working Group on 18-19 January 1990, the view had emerged that there was a window of opportunity for major results in the Article IX:6(b) negotiations to be achieved in parallel with the final negotiating phase of the Uruguay Round; it had been noted in this connection that this phase was to be concluded at a Ministerial meeting in Brussels between 3-7 December 1990.

4. The Chairman reminded Parties of the requirement to notify 1990-1991 thresholds in natural currencies. In this connection it was noted that the relevant Decision of November 1986 continued to be applied on a trial basis.

5. The Committee was informed of derestriction of documents, and reminded of the requirement to supply 1988 statistics and the invitation to nominate or renominate panel candidates.