

MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND

RESTRICTED

MTN.GNG/NG8/W/70

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Group of Negotiations on Goods (GATT)
Negotiating Group on MTN
Agreements and Arrangements

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ADDITIONAL SUBMISSION BY THE REPUBLIC OF KOREA
ON THE AGREEMENT OF GOVERNMENT PROCUREMENT

In document MTN.GNG/NG8/W/21 and W/39, the Korean delegation has presented some issues relating to the Agreement on Government Procurement with the objective of facilitating adherence of non-signatories to the Agreement. The Korean delegation submits supplementarily the following proposals, recognizing the importance of enlarging the membership, deeply concerned that the negotiations on this point have not substantially progressed, and carefully taking into account the proposals of other countries.

Without prejudice to the possibility of submitting additional proposals for negotiation in the future, the Korean delegation desires that the text be used as a basis for negotiation in this negotiation group.

Guidelines for Facilitating the Membership

1. There should be minimum level of concession to facilitate the membership of developing countries. Membership should be granted to any country who meets the minimum requirements, after which the level of obligations of the country should be raised progressively according to the schedule previously agreed with the existing Code members.

2. The minimum level of concessions should correspond to a certain percentage (X) of the total value of procurement contracts.

- The value of X may be fixed at half of the average concession level of all the current signatories.
- The level of concessions should be calculated on the basis of annual procurement contracts of a value of SDR 130,000 or more.
- The total value of procurement contracts should be defined to include all purchases by government entities under the authority of the central government, including those operating at regional and local levels.
- By defining procurement in terms of purchases for which the central government is the end user, it may be possible to resolve the problem of imbalances between countries that have a centralized and decentralized procurement system. Under this proposal, procurement related to national security is excluded.

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3. The secretariat could be asked to develop the statistical data necessary for administering the above requirements as soon as possible. If it proves difficult to collect the necessary data because the signatories are not required to provide such data under the existing provisions of the Code, then Article VI of the Code should be amended to include such a requirement.

4. A developing country, seeking membership, is to submit the initial offer to meet minimum requirements, as well as its annual programmes for broadening concessions up to the final year of full concession up to level of the signatories.

That developing country then conducts negotiations on the terms of accession with the existing Code signatories in accordance with Article IX of the Code.

- The final year of full concession up to the level of signatories (reserved period) should not be longer than (X) years.
- In the course of the negotiation, the signatories may make written requests on entities and products on the initial offer as well as the annual programme of concession to a country seeking membership. A country seeking new membership should make every effort to accommodate those requests.
- The newly accepted signatories should annually notify the Committee of the progress of its programme and its programmes for next term.

5. The Republic of Korea hopes that further discussions on these points will be continued so as to achieve a consensus aimed at facilitating the widest possible membership of developing countries and thus contribute to the effectiveness and credibility of the GATT system.