

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

GPR/W/64

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Special Distribution

Committee on Government Procurement

ADDITIONAL INFORMATION CONCERNING THE TREATMENT OF HIGH-PRICED BIDS

Note by the Secretariat

At its meeting on 14-15 November 1984 the Committee agreed to invite Parties to submit replies to the following questions concerning the treatment of high-priced bids, in addition to the question on this subject which has been put in the context of the Article IX:6(b) negotiations (GPR/W/59):¹

- (a) Does an entity pre-determine a standard price in view of helping competent officers to judge whether the tenders are too high or not?
- (b) In case an entity does not predetermine a standard price, how can it avoid an arbitrary judgement of the high-priced bids and keep the competition fair?
- (c) What kind of criterion do the Parties adopt in order to conclude contracts within a limited budget?

Replies to these questions will be circulated as addenda to this document.

¹ So far, nine Parties have replied to this question, reference GPR/W/59/Addenda 1-3.