

GENERAL AGREEMENT ON TARIFFS AND TRADE

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ARTICLE IX:6(b) NEGOTIATIONS STUDY OF CERTAIN TYPES OF SERVICE CONTRACTS

MANAGEMENT CONSULTING SERVICES AND FREIGHT FORWARDING SERVICES

The present information has been submitted by the delegation of Finland.

Management consulting

Information provided by the Finnish Federation of Consulting Firms indicates that about 15 per cent (i.e. FIM 10 million in 1984) of the management consulting services furnished by these firms are procured by the Government or municipalities. The major procuring entity has been the Ministry of Finance. The value of contracts awarded is, in general, far below the threshold value.

Freight forwarding

In Finland among the code-covered entities only the Government Purchasing Centre has made use of freight forwarding services, as follows:

<u>Year</u>	<u>Costs</u> <u>(FIM)</u>	<u>Fees paid</u> <u>(FIM)</u>
1983	95,000	150,000
1984	84,000	130,000

An enquiry was made to some of the major non-covered entities concerning the year 1984. The following is a summary of the replies:

<u>Non-covered entity No.</u>	<u>Fees paid (FIM)</u>
1	184,000
2	10,000
3	13,000
4 (the bulk being freight-handling costs)	1,300,000

Both code-covered and non-covered entities conclude rather long, one- to two-year contracts with the forwarding agencies on the basis of competitive tenders.

The fees are payable as per individual forwarding transaction.

The entities experienced difficulty in separating costs from fees.