GENERAL AGREEMENT ON TARIFFS AND TRADE

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Committee on Government Procurement

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PROPOSAL FOR A WORK PROGRAMME IN CONNECTION WITH THE NEGOTIATIONS FORESEEN BY ARTICLE IX:6(b) OF THE AGREEMENT

Communication from the United States Delegation

The following communication, dated 13 October 1982, has been received from the delegation of the United States.

As all delegations are aware, further negotiations on the Agreement on Government Procurement are to begin next year pursuant to Article IX:6(b). In preparation for these negotiations, the United States delegation believes it would be useful for the Committee to prepare information to be used as background in the negotiating process. In document GPR/Spec/15, the United States delegation identified several areas which might be the subject of discussion in the negotiations. The following represents our thinking regarding the type of preparatory work that would provide useful background for the negotiations in each of the areas we have identified. With regard to the collection of data, it would be our hope, whenever possible, to collect data at a level of aggregation which would permit the use of existing sources, such as budget documents, rather than requiring new collection efforts.

1. Expanded entity coverage

- Collect data on the value and types of products purchased by non-covered entities and those portions of covered entities that are now not covered.

2. Services

- Identify types of services that are traded internationally and that are acquired by governments.
- Collect data on the value of service contracts.
- Examine whether the Agreement's provisions are suitable for the procurement of services.
- Where appropriate, identify provisions which may require modification.

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3. Leasing

- Collect data on the value and types of products that governments lease.
- Continue to collect information on signatories' practices with regard to leasing and similar arrangements.
- 4. Lowering the threshold
 - Collect information on the number and value of contracts that would be covered if the threshold were lowered by increments of SDR 20,000, e.g., at SDR 130,000, 110,000, 90,000, 70,000, and 50,000. This data would provide useful information on the commercial value of lowering the threshold and give an indication of the possible administrative burden as well.

5. Lengthening of bid deadlines

Two areas appear to require investigation:

- (a) Should the thirty-day time limit be increased, e.g., to forty-five days? In this regard, it would be useful to examine whether thirty days provides sufficient time for foreign suppliers to participate. In addition, the administrative implications of extending bid deadlines should be examined.
- (b) The signatories should seek to clarify the apparent ambiguity between Article V:9(a) and Article V:10(d) of the Agreement. In this regard, it would be helpful to study the practical experiences with the operation of the Agreement, including the frequency with which entities use shortened bid deadlines, the products involved, values of the contracts, and whether foreign firms participate in the tendering process.