



Trade Facts

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Provisional Agreement on Text of Revised WTO Government Procurement Agreement

The WTO Members to the 1994 plurilateral WTO Government Procurement Agreement (GPA) reached an important milestone on December 8, 2006 when they provisionally agreed on a substantial revision of the text of the GPA. This was the first major revision of the text of the GPA since its adoption in 1979.

Final agreement on the revision of the GPA requires a mutually satisfactory outcome in the market access negotiations to open up additional government procurement to international competition under the GPA. The Members aim to conclude them by spring 2007.

The new text will be used as the basis for accession negotiations with countries in line to join the GPA. The revised GPA will be particularly useful for China as it prepares its initial GPA offer, which it agreed in the JCCT to table by the end of 2007.

The revised text significantly improves the current GPA by:

- Making it more user friendly by clarifying obligations, removing ambiguities, and re-grouping related provisions into a single article; as a result, GPA requirements are clearer, more transparent, and will make compliance by new Members easier;
- re-ordering the provisions to correspond more closely to the order in which procurements are conducted;
- updating the GPA to take into account developments in government procurement practices, for example, by reducing the tendering period for purchases of commercial goods and services and encouraging the use of electronic procurement;
- expanding and clarifying transitional measures for developing countries (offsets, price preferences, phasing-in entities or sectors, higher thresholds) to facilitate their GPA accession; these measures will not be applied automatically, but tailored to needs; and
- agreeing to develop arbitration procedures to resolve differences over the modification of the entities covered by the GPA.

The GPA Members are: the United States; the European Union and its 25 Member States (Austria, Belgium, Czech Republic, Cyprus, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Poland, Portugal, Slovak Republic, Slovenia, Spain, Sweden, United Kingdom); the Netherlands with respect to Aruba; Canada; Hong Kong China; Iceland; Israel; Japan; Liechtenstein; Norway; the Republic of Korea; Singapore; and Switzerland. On January 1, 2007, when Bulgaria and Romania join the EU, they will be added to the GPA, which will bring the total Members to 40.