GENERAL AGREEMENT ON TARIFFS AND TRADE

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COMMITTEE ON GOVERNMENT PROCUREMENT

Meeting of 20 June 1991

Note by the Chairman

1. The Committee considered United States recourse to Article VII:6 with respect to procurement of electronic toll collection equipment in Norway.

2. The US set out its case. In its opinion, the improper use of a single tendering procedure by Norway had prevented a United States supplier from bidding for the contract, in violation of Article II of the Agreement. The United States additionally reserved its rights to re-open and include a previous and similar Code covered dispute with Norway. It sought the good offices of the Committee on Government Procurement to reverse the Norwegian decision and in the absence of such a decision, requested the immediate establishment of a panel under Article VII:7 of the Code.

3. Norway replied that the procurement in question was fully consistent with the provisions of the Code, in particular with Article V:16(e), the project being a pilot project, necessitating an R&D contract. It contested re-opening and inclusion of the previous case, since it had been settled conclusively on a bilateral basis. Furthermore, Norway could not accept the immediate establishment of the panel, invoking the delay provided for in Article VII:7, and felt that additional conciliation efforts under the auspices of this Committee were called for.

4. The Chairman offered his good offices to both Parties in finding a multilateral solution to the dispute and proposed to return to this issue at a later meeting of the Committee, the date of which he would set in consultation with the two Parties. The three-month deadline provided in Article VII:7 of the Agreement begun on 20 June.

5. The Committee agreed.

6. Separately, the Chairman informed the Committee that a meeting of the informal working group on negotiations would take place from 9-12 July 1991 and that a formal Committee meeting would take place on 12 July 1991.