Informal Working Group on Negotiations on Government Procurement

NEGOTIATIONS ON GOVERNMENT PROCUREMENT

Offers

Attached is a copy of the offer\(^1\) from Canada in the negotiations on the improvement, expansion and broadening of the Agreement on Government Procurement, which was circulated informally on 23 March 1992.

This redistribution is limited to the participants in the Informal Working Group on Negotiations.

The content of the document is unchanged: it is now circulated as a GPR/Spec/72 document for greater convenience in reference and in future work. All other offers received are also being recirculated.

\(^1\)English only

92-1167
ANNEX 1 (GROUP "A")

Central Government Entities which Procure in Accordance
With the Provisions of this Agreement

Canada

Threshold: 130,000 SDRs for supplies and those services as covered by
Annex 4 - "Services".

List of Entities

1. Department of Agriculture
   - Department of Communications
3. Department of Consumer and Corporate Affairs
4. Department of Employment and Immigration
   as well as: - Immigration and Refugee Board
   - Canada Employment and Immigration Commission
5. Department of Energy, Mines and Resources
   as well as: - Atomic Energy Control Board
   - National Energy Board
6. Department of the Environment
7. Department of External Affairs
   as well as: - Canadian International Development Agency (on its own account)
8. Department of Finance
   as well as: - Office of the Superintendent of Financial Institutions
   - Canadian International Trade Tribunal
   - Municipal Development and Loan Board
9. Department of Fisheries and Oceans
10. Forestry
11. Department of Indian Affairs and Northern Development
12. Department of Industry, Science and Technology
   as well as: - Science Council of Canada
   - National Research Council of Canada
   - Natural Sciences and Engineering Research Council of Canada
13. Department of Justice
   as well as: - Canadian Human Rights Commission
   - Statute Revision Commission
   - Supreme Court of Canada
14. Department of Labour
   as well as: - Canada Labour Relations Board
15. Department of National Defence
16. Department of National Health and Welfare

as well as: - Medical Research Council

17. Department of National Revenue
18. Department of Public Works
19. Department of Secretary of State of Canada

as well as: - Social Sciences and Humanities Research Council
- Office of the Co-ordinator, Status of Women
- Public Service Commission

20. Department of the Solicitor General

as well as: - Royal Canadian Mounted Police
- Correctional Service of Canada
- National Parole Board

21. Department of Supply and Services

as well as: - Canadian General Standards Board

22. Department of Transport
23. Treasury Board
24. Department of Veterans Affairs

as well as: - Veterans Land Administration
25. Department of Western Economic Diversification
26. Atlantic Canada Opportunities Agency
27. Auditor General of Canada
28. Federal Office of Regional Development (Quebec)
29. Canadian Centre for Management Development
30. Canadian Radio-television and Telecommunications Commission
31. Canadian Sentencing Commission
32. Civil Aviation Tribunal
33. Commission of Inquiry into the Air Ontario Crash at Dryden, Ontario Intended to Increase Athletic Performance
34. Commission of Inquiry into the Use of Drugs and Banned Practices
35. Commissioner for Federal Judicial Affairs
36. Competition Tribunal Registry
37. Copyright Board
38. Emergency Preparedness Canada
39. Federal Court of Canada
40. Grain Transportation Agency
41. Hazardous Materials Information Review Commission
42. Information and Privacy Commissioners
43. Investment Canada
44. Multiculturalism and Citizenship
45. The National Archives of Canada
46. National Farm Products Marketing Council
47. The National Library
48. National Transportation Agency
49. Northern Pipeline Agency
50. Patented Medicine Prices Review Board
51. Petroleum Monitoring Agency
52. Privy Council Office

as well as:
- Canadian Intergovernmental Conference Secretariat
- Commissioner of Official Languages
- Economic Council of Canada
- Public Service Staff Relations Office
- Office of the Secretary to the Governor General
- Office of the Chief Electoral Officer
- Federal Provincial Relations Office

53. Procurement Review Board
54. Royal Canadian Mounted Police External Review Committee
55. Royal Canadian Mounted Police Public Complaints Commission
56. Royal Commission on Electoral Reform and Party Financing
57. Royal Commission on National Passenger Transportation
58. Royal Commission on New Reproductive Technologies
59. Royal Commission on the Future of the Toronto Waterfront
60. Statistics Canada
61. Tax Court of Canada, Registry of the
62. Agricultural Stabilization Board
63. Canadian Aviation Safety Board
64. Canadian Centre for Occupational Health and Safety
65. Canadian Transportation Accident Investigation and Safety Board
66. Director of Soldier Settlement
67. Director, The Veterans' Land Act
68. Fisheries Prices Support Board
69. National Battlefields Commission

The following products purchased by the Department of National Defence and the RCMP are included in the coverage of this Agreement, subject to the application of paragraph 1 of Article VIII.

(Numbers refer to the Federal Supply Classification Code)

23. Motor vehicles, trailers and cycles (except buses in 2310, military trucks and trailers in 2320 and 2330 and tracked combat, assault and tactical vehicles in 2350)
24. Tractors
25. Vehicular equipment components
26. Tires and tubes
29. Engine accessories
30. Mechanical power transmission equipment
32. Woodworking machinery and equipment
34. Metal working equipment
35. Service and trade equipment
36. Special industry machinery
37. Agricultural machinery and equipment
38. Construction, mining, excavating and highway maintenance equipment
39. Materials handling equipment
40. Rope, cable, chain and fittings
41. Refrigeration and air conditioning equipment
42. Fire fighting, rescue and safety equipment (except 4220 Marine Life-saving and diving equipment, 4230 Decontaminating and impregnating equipment)
43. Pumps and compressors
44. Furnace, steam plant, drying equipment and nuclear reactors
45. Plumbing, heating and sanitation equipment
46. Water purification and sewage treatment equipment
47. Pipe, tubing, hose and fittings
48. Valves
49. Maintenance and repair shop equipment
50. Measuring tools
51. Hardware and abrasives
52. Prefabricated structures and scaffolding
53. Lumber, millwork, plywood and veneer
54. Construction and building materials
55. Electric wire and power and distribution equipment
56. Lighting fixtures and lamps
57. Alarm and signal systems
58. Medical, dental and veterinary equipment and supplies
59. Instruments and laboratory equipment (except 6615: Automatic pilot mechanisms and airborne Gyro components, 6665: Hazard-detecting instruments and apparatus)
60. Photographic equipment
61. Chemicals and chemical products
62. Training aids and devices
63. General purpose automatic data processing equipment, software, supplies and support equipment (except 7010 ADPE configurations)
64. Furniture
65. Household and commercial furnishings and appliances
66. Food preparation and serving equipment
67. Office machines, visible record equipment and automatic data processing equipment
68. Office supplies and devices
69. Books, maps and other publications - (except 7650 drawings and specifications)
70. Musical instruments, phonographs and home-type radios
71. Recreational and athletic equipment
72. Cleaning equipment and supplies
73. Brushes, paints, sealers and adhesives
74. Containers, packaging and packing supplies
75. Toiletries
76. Agricultural supplies
77. Live animals
78. Non-metallic fabricated materials
79. Non-metallic crude materials
80. Ores, minerals and their primary products
81. Miscellaneous
GENERAL NOTE:

Notwithstanding anything in this Annex 1, this Agreement does not apply to procurements in respect of:

(a) shipbuilding and repair;

(b) rail and urban transportation equipment, systems, components and materials incorporated there-in as well as all project related materials of iron or steel;

(c) contracts on behalf of Transport Canada respecting FSC 58 (Communication, Detection and Coherent Radiation Equipment);

(d) contracts of the Departments of Transport Canada, Communications Canada and Fisheries and Oceans respecting FSCs 70 (Automatic data processing equipment, software supplies and support equipment), 74 (Office machines, visible record equipment and automatic data processing equipment), 36 (Special Industry machinery);

(e) set asides for small businesses.
ANNEX 2 (GROUP "B")

Sub-Central Government Entities which Procure in Accordance
With the Provisions of this Agreement

CANADA

Threshold: 130,000 SDRs for supplies and services.

List of Entities:

Canada offers to seek to include the procurement of goods and services by sub-central departments and agencies (i.e. at the Canadian provincial level) not having an industrial or commercial character, subject to the terms and conditions below:

1. reciprocal commitments are entered into by other signatories in respect of their sub-central entities;

2. an undertaking to seek to obtain commitments, on a voluntary basis, within 18 months after conclusion of the new government procurement agreement, to achieve the broadest possible coverage;

3. the commitments by sub-central governments would be given effect by governments bringing into conformity with the Code, as amended, their procurement laws, practices and regulations with respect to identified entities;

4. appropriate changes to the text of the new government procurement agreement would be made to provide for compensation and/or rights in the event that a covered sub-central government entity is withdrawn or found not to have conformed with the Code, as amended;

5. all signatories would retain the right, at the end of the 18 months period, and following an evaluation of commitments of all signatories with respect to sub-central coverage,
   (a) not to apply in whole or in part the benefits of the Code to other signatories; and/or
   (b) to enter into further negotiations with a view to, achieving a mutually satisfactory coverage.

6. the list of services to be included would be subject to negotiations.
GENERAL NOTE:

Notwithstanding anything in this Annex 2, this Agreement does not apply to procurements by sub-central government entities in respect of:

(a) shipbuilding and repair;
(b) rail and urban transportation equipment, systems, components and materials incorporated there-in as well as all project related materials of iron or steel; and
(c) set asides for small businesses.
ANNEX 3 (GROUP "C")

All Other Entities which Procure in Accordance
With the Provisions of this Agreement

CANADA

Threshold: 130,000 SDRs for goods

Canada offers to seek to include, at the federal level, goods contracts for designated Group C entities under two distinct sub-groups, as outlined below, reflecting the degree of government control, regulation or influence upon such agencies.

The first sub-group would cover those entities which, though commercial in character are owned by the government and essentially perform a government function. Such entities would be subject to disciplines similar to current Code commitments, with modifications as negotiated, to take into consideration the special situation of entities having a commercial character.

The second sub-group would cover those entities which are essentially owned by the private sector but substantially influenced by the government. These entities would be subject to a "self-denial" commitment by the Government of Canada who will refrain from influencing the procurement decisions of those entities.

Canada further offers to seek to include, at the sub-central level, on a voluntary basis, within 18 months after the conclusion of the new procurement agreement, goods contracts for entities subject to substantial government regulation or influence on the basis of a "self-denial" commitment i.e. the provincial governments would undertake to refrain from influencing the procurement decisions of those entities.

GENERAL NOTE:

Notwithstanding anything in this Annex 3, this Agreement does not apply to procurements in respect of:

(a) shipbuilding and repair;

(b) rail and urban transportation equipment, systems, components and materials incorporated there-in as well as all project related materials of iron or steel; and

(c) set asides for small businesses.
ANNEX 4

SERVICES

I. Those items of the Universal list of Services (MTN.GNS/W/120) as specified below.

II. CANADA

LIST OF SERVICES INCLUDED

CODING
W120 CPC

1. BUSINESS SERVICES

A. Professional Services

1Aa* 861* Legal Services (advisory services on foreign and international law only)

1Ab 862 Accounting, auditing and book-keeping services

1Ac* 863* Taxation Services (excluding legal services)

1Ad 8671 Architectural services

86711 Advisory and pre-design architectural services

86712 Architectural design services

86713 Contract administration services

86714 Combined architectural design and contract administration services

86719 Other architectural services

1Ae 8672 Engineering services

86721 Advisory & consultative engineering services

86722 Engineering design services for foundations and building structures

* Asterisks designate "part of". As described in detail in the conditional offer by Canada of specific commitments in the Uruguay Round Negotiations in Trade in Services.
<table>
<thead>
<tr>
<th>CODING W120 CPC</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>86723</td>
<td>Engineering design services for mechanical and electrical installations for buildings</td>
</tr>
<tr>
<td>86724</td>
<td>Engineering design services for civil engineering construction</td>
</tr>
<tr>
<td>86725</td>
<td>Engineering design services for civil engineering construction</td>
</tr>
<tr>
<td>86726</td>
<td>Engineering design services n.e.c.</td>
</tr>
<tr>
<td>86727</td>
<td>Other engineering services during the construction and installation phase</td>
</tr>
<tr>
<td>86729</td>
<td>Other engineering services</td>
</tr>
<tr>
<td>1Af 8673</td>
<td>Integrated engineering services</td>
</tr>
<tr>
<td>86731</td>
<td>Integrated engineering services for transportation, infrastructure turnkey projects</td>
</tr>
<tr>
<td>86732</td>
<td>Integrated engineering and project management services for water supply and sanitation works turnkey projects</td>
</tr>
<tr>
<td>86733</td>
<td>Integrated engineering services for the construction of manufacturing turnkey projects</td>
</tr>
<tr>
<td>86739</td>
<td>Integrated engineering services for other turnkey projects</td>
</tr>
<tr>
<td>1Ag 8674</td>
<td>Urban planning and landscape architectural services</td>
</tr>
</tbody>
</table>

**B. Computer and Related Services**

| 1Ba 841         | Consultancy services related to the installation of computer hardware |
| 1Bb 842         | Software implementation services, including systems & software consulting services, systems analysis, design, programming & maintenance services |
| 1Bc 343*        | Data processing services, including processing, tabulation and facilities management services. |
| 1Rd 844         | Data base services |
C. Maintenance and repair services of office machinery and equipment including computers

1845 Maintenance and repair services of office machinery and equipment including computers

+ 849 Other computer services

C. Real Estate Services

1821 Real estate services involving own or leased property

1822 Real estate services on a fee or contract basis

D. Rental/Leasing Services without Operators

1831 Leasing or rental services concerning machinery and equipment without operator, including computers

b,c,d

1832* Leasing or rental services concerning personal and household goods (excluding in 83201, the rental of prerecorded records, sound cassettes, CD's & excluding 83202, rental services concerning video tapes)

E. Other Business Services

1865 Management consulting services

86501 General management consulting services

86503 Marketing management consulting services

86504 Human resources management consulting services

86505 Production management consulting services

86509 Other management consulting services, including agrology, agronomy, farm management & related consulting services

18676 Technical testing and analysis services including quality control & inspection

18814 Services incidental to forestry and logging, including forest management

18814 Site preparation for mining
Related scientific and technical consulting services

Geological, geophysical and other scientific prospecting services, including those related to mining

Subsurface surveying services

Surface surveying services

Map making services

Repair services of personal and household goods

Repair services incidental to metal products, machinery and equipment including computers, and communications equipment

Building-cleaning services

Packaging services

2. COMMUNICATIONS SERVICES

B. Courier services

Commercial courier services (including multi-modal)

C. Telecommunication services, of which:

Electronic mail

Voice mail

On-line information and data base retrieval

Electronic data interchange (EDI)

Enhanced/value-added facsimile services, including store and forward, store and retrieve

Code and protocol conversion

On-line information and/or data processing (including transaction processing)
3. CONSTRUCTION AND RELATED ENGINEERING SERVICES

See Annex 5 - "Construction Services" of this offer on Government Procurement

4. ENVIRONMENTAL SERVICES

Sewage and refuse disposal, sanitation and other environmental protection services, including sewage services, nature & landscape protection services & other environmental protection services n.e.c.

5. FINANCIAL SERVICES

The purchase or acquisition of financial services (as defined under Article 5.1 of the Annex on Financial Services, of the General Agreement on Trade in Services) is to be covered only by the obligations of the Understanding on Commitments in Financial Services ("Understanding") which, subject to certain limitations, Canada has proposed to undertake in the context of the negotiations on initial commitments in services under the GNS. In this regard, Article 2 of the Understanding specifies that each Party shall ensure that financial service providers of any other Party established in its territory are to be accorded MFN and national treatment as regards the purchase or acquisition of financial services by public entities of the Party in its territory.

6. TOURISM AND TRAVEL RELATED SERVICES

A. Hotels and restaurants (including catering)

- Hotel and other lodging services
- Food and beverage serving services

B. Travel agencies and tour operators services

Travel agency and tour operator services
GENERAL NOTE:

1. This offer is subject to the terms and conditions set out in the Canadian offer on trade in services contained in MTN.GNS/W/55/Rev1.

2. Notwithstanding anything in this Annex 4, this Agreement does not apply to services procurements in respect of:

(a) shipbuilding and repair;

(b) rail and urban transportation equipment, systems, components and materials incorporated therein as well as all project related materials of iron or steel;

(c) contracts of the Departments of Transport Canada, Communications Canada and Fisheries and Oceans respecting FSCs 70 (Automatic data processing equipment, software supplies and support equipment), 74 (Office machines, visible record equipment and automatic data processing equipment), 36 (Special Industry machinery);

(d) set asides for small businesses; and

(e) R&D services that require further discussion and evaluation before positions can be taken.
SPECIFICATIONS ON COVERED CONSTRUCTION SERVICES

I. DEFINITION:

A construction services contract is a contract which has as its objective the realization by whatever means of civil or building works, in the sense of Division 51 of the Central Product Classification (CPC).

II. List of Division 51, CPC

III. CANADA

Threshold: 4.5 Million SDRs

GENERAL NOTE:

Notwithstanding anything in this Annex 5, this Agreement does not apply to procurements in respect of:

(a) shipbuilding and repair;

(b) rail and urban transportation equipment, systems, components and materials incorporated there-in as well as all project related materials of iron or steel;

(c) dredging;

(d) set asides for small businesses;

(e) construction contracts tendered on behalf of Transport Canada.