COMMISSION OF THE EUROPEAN COMMUNITIES

COM(79) 514 final/ANNEX II

Brussels, 10th October 1979

GATT MULTILATERAL TRADE NEGOTIATIONS

(Communication from the Commission to the Council)

FINAL REPORT ON THE GATT MULTILATERAL TRADE NEGOTIATIONS
IN GENEVA (TOKYO ROUND) AND PROPOSAL FOR COUNCIL DECISION

ANNEX II
ANNEX 2 to COM (79) 514 final

Summary

1. Documents relating to negotiations with developing countries
   (Part III, Section 3 of Report)
   - Text of accession Protocol of the Philippines and list of
tariff concessions offered by that country
   - Text of accession Protocol of Colombia (the list of tariff
concessions by Colombia will be presented at a later date)

2. Documents relating to negotiations on standards code
   (Part III, Section 4 of Report)
   - Text of Agreement on technical barriers to trade (GLI/270)
   - An exchange of letters relating to this agreement (letter A.3)*

3. Documents relating to negotiations on government procurement
   (Part III, Section 5 of Report)
   - Text of Agreement on government procurement (GLI/272)
   - Certain exchanges of letters relating to this agreement
   (letters A.2, A.6, A.11) *

4. Documents relating to negotiations on civil aircraft
   (Part III, Section 6 of Report)
   - Text of Agreement on trade in civil aircraft (GLI/273)
   - Certain exchanges of letters relating to this agreement
   (letters A.1, A.4, A.5, A.9, A.10) *

* These references are to the list of letters set out in Part II of report, pages 30-34
DRAFT PROTOCOL FOR THE ACCESSION
OF THE PHILIPPINES TO THE
GENERAL AGREEMENT ON TARIFFS AND TRADE

The governments which are contracting parties to the General Agreement
on Tariffs and Trade (hereinafter referred to as "contracting parties" and
"the General Agreement", respectively), the European Economic Community and
the Government of the Republic of the Philippines (hereinafter referred to as
"the Philippines"),

Having regard to the results of the negotiations directed towards the
accession of the Philippines to the General Agreement,

Have through their representatives agreed as follows:

Part I - General

1. The Philippines shall, upon entry into force of this Protocol pursuant
to paragraph 7, become a contracting party to the General Agreement, as
defined in Article XXXII thereof, and shall apply to contracting parties
 provisionally and subject to this Protocol:

(a) Parts I, III and IV of the General Agreement, and

(b) Part II of the General Agreement to the fullest extent not
 inconsistent with its legislation existing on the date of this
 Protocol.

The obligations incorporated in paragraph 1 of Article I by reference
to Article III and those incorporated in paragraph 2(b) of Article II by
reference to Article VI of the General Agreement shall be considered as
falling within Part II for the purpose of this paragraph.

2. (a) The provisions of the General Agreement to be applied to
contracting parties by the Philippines shall, except as otherwise provided
in this Protocol, be the provisions contained in the text annexed to the
Final Act of the second session of the Preparatory Committee of the United
Nations Conference on Trade and Employment, as rectified, amended or other-
wise modified by such instruments as may have become effective on the day on
which the Philippines becomes a contracting party.
(b) In each case in which paragraph 6 of Article V, sub-paragraph 4(d) of Article VII, and sub-paragraph 3(c) of Article X of the General Agreement refer to the date of that Agreement, the applicable date in respect of the Philippines shall be the date of this Protocol.

3. The Philippines intends to bring into line with Article III of the General Agreement, the sales and specific taxes with respect to the items listed in document L/4724/Add.1 whose rates, in accordance with the relevant sections of Titles IV and V of the Philippines Internal Revenue Code in force on the date of this Protocol, vary according to whether the items are locally manufactured or imported and will endeavour to do so as soon as possible in the light of its development, financial and trade needs. If by 31 December 1984, the above-mentioned taxes are still in effect with differential rates for imported items, the matter will be reviewed by the CONTRACTING PARTIES.

Part II - Schedule

4. The schedule in the Annex shall, upon the entry into force of this Protocol, become a Schedule to the General Agreement relating to the Philippines.

5. (a) In each case in which paragraph 1 of Article II of the General Agreement refers to the date of that Agreement, the applicable date in respect of each product which is the subject of a concession provided for in the Schedule annexed to this Protocol shall be the date of this Protocol.

   (b) For the purpose of the reference in paragraph 6(a) of Article II of the General Agreement to the date of that Agreement, the applicable date in respect of the Schedule annexed to this Protocol shall be the date of this Protocol.

Part III - Final Provisions

6. This Protocol shall be deposited with the Director-General to the CONTRACTING PARTIES. It shall be open for signature by the Philippines until [1979]. It shall also be open for signature by contracting parties and by the European Economic Community.

7. This Protocol shall enter into force on the thirtieth day following the day upon which it shall have been signed by the Philippines.
8. The Philippines, having become a contracting party to the General Agreement pursuant to paragraph 1 of this Protocol, may accede to the General Agreement upon the applicable terms of this Protocol by deposit of an instrument of accession with the Director-General. Such accession shall take effect on the day on which the General Agreement enters into force pursuant to Article XXVI or on the thirtieth day following the day of the deposit of the instrument of accession, whichever is the later. Accession to the General Agreement pursuant to this paragraph shall, for the purposes of paragraph 2 of Article XXXII of that Agreement, be regarded as acceptance of the Agreement pursuant to paragraph 4 of Article XXVI thereof.

9. The Philippines may withdraw its provisional application of the General Agreement prior to its accession thereto pursuant to paragraph 8 and such withdrawal shall take effect on the sixtieth day following the day on which written notice thereof is received by the Director-General.

10. The Director-General shall promptly furnish a certified copy of this Protocol and a notification of each signature thereto, pursuant to paragraph 6, to each contracting party, to the European Economic Community, to the Philippines and to each government which shall have acceded provisionally to the General Agreement.

11. This Protocol shall be registered in accordance with the provisions of Article 102 of the Charter of the United Nations.

Done at Geneva this day of one thousand nine hundred and seventy-nine, in a single copy, in the English and French languages, except as otherwise specified with respect to the Schedule annexed hereto, both texts being authentic.
ANNEX

SCHEDULE LXXV - PHILIPPINES

(Text to be supplied later)
NEGOITIATIONS FOR THE ACCESSION OF THE
REPUBLIC OF THE PHILIPPINES IN THE CONTEXT
OF THE MULTILATERAL TRADE NEGOTIATIONS

The Delegation of the Republic of the Philippines and the Delegation of the Commission of the European Communities hereby inform the Director-General that they have today completed their bilateral negotiations.

They accordingly attach hereto one copy each of the list of concessions which the Republic of the Philippines is prepared to grant the Commission of the European Communities and which the Commission of the European Communities is prepared to grant the Philippines.

For the Delegation of the
Commission of the
European Communities

For the Delegation of the
Republic of the
Philippines

Done in Geneva, July 27, 1979

Mr. Olivier LONG
director-General of the GATT
Centre William Rappard
Geneva
### EEC Concessions to Philippines *

<table>
<thead>
<tr>
<th>Heading no.</th>
<th>Description</th>
<th>Basis rate of duty</th>
<th>Rate of duty according to concession</th>
</tr>
</thead>
<tbody>
<tr>
<td>ex 08.01 E</td>
<td>Coconuts:&lt;br&gt;- Desiccated coconut</td>
<td>4 %</td>
<td>2 %</td>
</tr>
<tr>
<td>20.06 B II b 5 aa)</td>
<td>Pinapples otherwise prepared or preserved not containing added spirit, containing added sugar, with a sugar content exceeding 19 % by weight, in immediate packings of a net capacity of 1 kg or less</td>
<td>24 % + ads</td>
<td>24 % + 2 % ads **</td>
</tr>
<tr>
<td>42.02 B</td>
<td>Travel goods (for example, trunks, suit-cases, hat-boxes, travelling-bags, rucksacks), shopping-bags, handbags, satchels, brief-cases, wallets, purses, toilet-cases, tool-cases, tobacco-pouches, sheaths, cases, boxes (for example, for arms, musical instruments, binoculars, jewellery, bottles, collars, footwear, brushes) and similar containers, of leather or of composition leather, of vulcanised fibre, of paperboard or of textile fabric.</td>
<td>7.5 %</td>
<td>5.1 %</td>
</tr>
<tr>
<td>42.03 B III</td>
<td>Gloves including mittens and mitts other than protective, for all trades or special, for sports</td>
<td>10.5 %</td>
<td>10 %</td>
</tr>
<tr>
<td>44.13</td>
<td>Wood (including blocks, strips and friezes for parquet or wood block flooring, not assembled), planed, tongued, grooved, rebated, chamfered, V-jointed, centre V-jointed, beaded, centre-beaded or the like, but not further manufactured</td>
<td>5 %</td>
<td>4 %</td>
</tr>
</tbody>
</table>

* The concessions are subject to the general notes of Schedules LXXII and LXXIIbis of the EEC annexed to the 1979 Protocol.

** The symbol "2 % ads" indicates that the applicable rate of the additional duty on sugar is fixed at a standard rate of 2 % ad valorem of the customs.
<table>
<thead>
<tr>
<th>Heading no.</th>
<th>Description</th>
<th>Basis rate of duty</th>
<th>Rate of duty according to concession</th>
</tr>
</thead>
<tbody>
<tr>
<td>44.15</td>
<td>Plywood, blockboard, etc... not within quota</td>
<td>13 %</td>
<td>10 %</td>
</tr>
<tr>
<td>44.24</td>
<td>Household ustencils of wood</td>
<td>7.5 %</td>
<td>3 %</td>
</tr>
<tr>
<td>44.27 B</td>
<td>Standard lamps, table lamps and other lighting fittings; articles of furniture, not falling within Chapter 94; caskets, cigarette boxes, trays, fruit bowls, ornaments and other fancy articles, cases for cutlery, for drawing instruments or for violins, and similar receptacles; articles for personal use or adornment, of a kind normally carried in the pocket, in the handbag or on the person; parts of the foregoing articles; all the foregoing of wood other than fibre building board</td>
<td>7 %</td>
<td>6 %</td>
</tr>
<tr>
<td>44.28 D II</td>
<td>Other articles of wood other than fibre building board</td>
<td>7 %</td>
<td>4.9 %</td>
</tr>
<tr>
<td>46.02 D I a</td>
<td>Other articles of unspun vegetable materials, not backed or lined with paper or woven fabric</td>
<td>6 %</td>
<td>4.4 %</td>
</tr>
<tr>
<td>46.02 D III</td>
<td>Other articles of plaiting materials other than unspun vegetable materials of strips of paper</td>
<td>9.5 %</td>
<td>4 %</td>
</tr>
<tr>
<td>46.03</td>
<td>Basketwork, wickerwork and other articles of plaiting materials, made directly to shape; articles made up from goods falling within heading No 46.02; articles of loofah</td>
<td>10 %</td>
<td>6.2 %</td>
</tr>
<tr>
<td>65.04 A I</td>
<td>Hats and other headgear, not lined or trimmed; of wood shavings or strips, straw, bark, esparto, aloe</td>
<td>5.5 %</td>
<td>0 %</td>
</tr>
<tr>
<td>65.05</td>
<td>Hats and other headgear (including hair nets), knitted or crocheted, or made up from lace, felt or other textile fabric in the piece (but not from strips), whether or not lined or trimmed</td>
<td>9.5 %</td>
<td>6 %</td>
</tr>
<tr>
<td>Heading no.</td>
<td>Description</td>
<td>Basis rate of duty</td>
<td>Rate of duty according to concession</td>
</tr>
<tr>
<td>------------</td>
<td>-----------------------------------------------------------------------------</td>
<td>--------------------</td>
<td>--------------------------------------</td>
</tr>
<tr>
<td>71.16 B</td>
<td>Imitation jewellery other than of base metal</td>
<td>11.5%</td>
<td>6.7%</td>
</tr>
<tr>
<td>84.55 B</td>
<td>Parts and accessories for electronic calculating machines falling within sub-heading 84.52 A</td>
<td>10.5%</td>
<td>6.3%</td>
</tr>
<tr>
<td>90.07 B II</td>
<td>Photographic flashlight apparatus and flash bulbs other than electrically ignited flashbulbs</td>
<td>8%</td>
<td>5.3%</td>
</tr>
<tr>
<td>92.11 A III</td>
<td>Combined sound recorders and reproducers</td>
<td>8.5%</td>
<td>7%</td>
</tr>
<tr>
<td>94.01 B</td>
<td>Chairs and other seats other than those specially designed for aircraft</td>
<td>8.5%</td>
<td>5.6%</td>
</tr>
<tr>
<td>94.03</td>
<td>Other furnitures and parts thereof</td>
<td>8.5%</td>
<td>5.6%</td>
</tr>
<tr>
<td>95.05 B II</td>
<td>Coral (natural or agglomerated), other than worked coral or coral in plates, sheets, and similar forms. Worked tortoise-shell, mother of pearl, ivory, bone, horn, and other animal carving material and articles of those materials other than not worked plates, sheets, rods, tubes, discs and similar forms.</td>
<td>8.5%</td>
<td>5.6%</td>
</tr>
<tr>
<td>95.08 B</td>
<td>Worked vegetable carving material and articles of those materials; other than plates, sheets, rods, tubes, discs and similar forms not polished or otherwise worked</td>
<td>6%</td>
<td>4.4%</td>
</tr>
</tbody>
</table>
### Philippine List of Concessions to EEC

<table>
<thead>
<tr>
<th>Tariff Heading Number</th>
<th>Description of Product</th>
<th>Base Rate of Duty</th>
<th>Concession Rate of Duty</th>
</tr>
</thead>
<tbody>
<tr>
<td>11.07</td>
<td>Malt, roasted or not</td>
<td>30%</td>
<td>30%</td>
</tr>
<tr>
<td>12.06</td>
<td>Hop cones and lupulin</td>
<td>30%</td>
<td>30%</td>
</tr>
<tr>
<td>28.25</td>
<td>Titanium dioxide</td>
<td>20%</td>
<td>20%</td>
</tr>
<tr>
<td>ex 32.07</td>
<td>Pigments</td>
<td>20%</td>
<td>20%</td>
</tr>
<tr>
<td>70.06 A</td>
<td>Colored float glass 10&quot; x 24&quot; and 6&quot; x 24&quot; with maximum thickness of 4 mm.</td>
<td>50%</td>
<td>50%</td>
</tr>
<tr>
<td>70.14 B</td>
<td>Glass globes and cylinders for kerosene air pressure lamps</td>
<td>50%</td>
<td>50%</td>
</tr>
<tr>
<td>78.09</td>
<td>Reservoirs, tanks and vats and similar containers, for any material (other than compressed or liquefied gas), of aluminum of a capacity exceeding 300 l, whether or not lined or heat-insulated, but not fitted with mechanical or thermal equipment</td>
<td>50%</td>
<td>50%</td>
</tr>
<tr>
<td>ex 84.06 A-1</td>
<td>Parts of internal combustion engines (except cylinder liners or sleeves and engine valves)</td>
<td>10%</td>
<td>10%</td>
</tr>
<tr>
<td>84.16</td>
<td>Calendering and similar rolling machines (other than metal-working and metal-rolling machines and glass-working machines) and cylinders therefor</td>
<td>10%</td>
<td>30%</td>
</tr>
<tr>
<td>84.32</td>
<td>Book-binding machinery, including</td>
<td>10%</td>
<td>30%</td>
</tr>
<tr>
<td>Tariff Heading Number</td>
<td>Product Description</td>
<td>Base Rate of Duty</td>
<td>Concession Rate of Duty</td>
</tr>
<tr>
<td>-----------------------</td>
<td>-------------------------------------------------------------------------------------</td>
<td>-------------------</td>
<td>-------------------------</td>
</tr>
<tr>
<td>84.36</td>
<td>Machinery for preparing textile fibres including textile spinning and twisting machines; textile doubling, throwing and reeling machines</td>
<td>10%</td>
<td>10%</td>
</tr>
<tr>
<td>84.41 A</td>
<td>Head assembly of industrial sewing machines</td>
<td>20%</td>
<td>30%</td>
</tr>
<tr>
<td>84.42</td>
<td>Machinery (other than sewing machine) for preparing, tanning or working hides, skins or leather (including boot and shoe machinery)</td>
<td>10%</td>
<td>30%</td>
</tr>
<tr>
<td>85.19 B</td>
<td>Electrical apparatus for making and breaking circuits, fixed and variable potentiometers, printed circuit board; switches except switches of a kind used in domestic electrical wiring; and switchboard and control panels</td>
<td>50%</td>
<td>50%</td>
</tr>
<tr>
<td>87.01 A</td>
<td>Tractors other than power tillers or walking tractors or hand tractors</td>
<td>10%</td>
<td>10%</td>
</tr>
</tbody>
</table>
DRAFT PROTOCOL FOR THE ACCESSION
OF COLOMBIA TO THE
GENERAL AGREEMENT ON TARIFFS AND TRADE

The governments which are contracting parties to the General Agreement on Tariffs and Trade (hereinafter referred to as "contracting parties" and "the General Agreement", respectively), the European Economic Community and the Government of Colombia (hereinafter referred to as "Colombia"),

Having regard to the results of the negotiations directed towards the accession of Colombia to the General Agreement,

Have through their representatives agreed as follows:

Part I - General

1. Colombia shall, upon entry into force of this Protocol pursuant to paragraph 6, become a contracting party to the General Agreement, as defined in Article XXXII thereof, and shall apply to contracting parties provisionally and subject to this Protocol:

   (a) Parts I, III and IV of the General Agreement, and

   (b) Part II of the General Agreement to the fullest extent not inconsistent with its legislation existing on the date of this Protocol.

The obligations incorporated in paragraph 1 of Article I by reference to Article III and those incorporated in paragraph 2(b) of Article II by reference to Article VI of the General Agreement shall be considered as falling within Part II for the purpose of this paragraph.

2. (a) The provisions of the General Agreement to be applied to contracting parties by Colombia shall, except as otherwise provided in this Protocol, be the provisions contained in the text annexed to the Final Act of the second session of the Preparatory Committee of the United Nations Conference on Trade and Employment, as rectified, amended or otherwise modified by such instruments as may have become effective on the day on which Colombia becomes a contracting party.

   (b) In each case in which paragraph 6 of Article V, sub-paragraph 4(d) of Article VII, and sub-paragraph 3(c) of Article X of the General Agreement refer to the date of that Agreement, the applicable date in respect of Colombia shall be the date of this Protocol.
Part II - Schedule

3. The schedule in the Annex shall, upon the entry into force of this Protocol, become a Schedule to the General Agreement relating to Colombia.

4. (a) In each case in which paragraph 1 of Article II of the General Agreement refers to the date of that Agreement, the applicable date in respect of each product which is the subject of a concession provided for in the Schedule annexed to this Protocol shall be the date of this Protocol.

(b) For the purpose of the reference in paragraph 6(a) of Article II of the General Agreement to the date of that Agreement, the applicable date in respect of the Schedule annexed to this Protocol shall be the date of this Protocol.

Part III - Final Provisions

5. This Protocol shall be deposited with the Director-General to the CONTRACTING PARTIES. It shall be open for signature by Colombia until 31 December 1979. It shall also be open for signature by contracting parties and by the European Economic Community.

6. This Protocol shall enter into force on the thirtieth day following the day upon which it shall have been signed by Colombia.

7. Colombia, having become a contracting party to the General Agreement pursuant to paragraph 1 of this Protocol, may accede to the General Agreement upon the applicable terms of this Protocol by deposit of an instrument of accession with the Director-General. Such accession shall take effect on the day on which the General Agreement enters into force pursuant to Article XXVI or on the thirtieth day following the day of the deposit of the instrument of accession, whichever is the later. Accession to the General Agreement pursuant to this paragraph shall, for the purposes of paragraph 2 of Article XXXII of that Agreement, be regarded as acceptance of the Agreement pursuant to paragraph 4 of Article XXVI thereof.

8. Colombia may withdraw its provisional application of the General Agreement prior to its accession thereto pursuant to paragraph 7 and such withdrawal shall take effect on the sixtieth day following the day on which written notice thereof is received by the Director-General.

9. The Director-General shall promptly furnish a certified copy of this Protocol and a notification of each signature thereto, pursuant to paragraph 5, to each contracting party, to the European Economic Community, to Colombia and to each government which shall have acceded provisionally to the General Agreement.

10. This Protocol shall be registered in accordance with the provisions of Article 102 of the Charter of the United Nations.

Done at Geneva this 1 day of one thousand nine hundred and seventy-nine, in a single copy, in the English, French and Spanish languages, except as otherwise specified with respect to the Schedule annexed hereto, each text being authentic.
ANNEX

SCHEDULE LXXVI - COLOMBIA

(Text to be supplied later)

Olivier Long
Directeur général
AGREEMENT ON TECHNICAL BARRIERS TO TRADE

ACCORD RELATIF AUX OBSTACLES TECHNIQUES AU COMMERCE

ACUERDO SOBRE OBSTÁCULOS TÉCNICOS AL COMERCIO

GENERAL AGREEMENT ON TARIFFS AND TRADE

ACCORD GENERAL SUR LES TARIFS DOUANIERS ET LE COMMERCE

ACUERDO GENERAL SOBRE ARANCELES Aduaneros Y COMERCIO

12 April 1979
Geneva

COPY FOR INFORMATION
# AGREEMENT ON TECHNICAL BARRIERS TO TRADE

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<td>5</td>
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<td>8</td>
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AGREEMENT ON TECHNICAL BARRIERS TO TRADE

PREAMBLE

Having regard to the Multilateral Trade Negotiations, the Parties to the Agreement on Technical Barriers to Trade (hereinafter referred to as "Parties" and "this Agreement");

Desiring to further the objectives of the General Agreement on Tariffs and Trade (hereinafter referred to as "General Agreement" or "GATT");

Recognizing the important contribution that international standards and certification systems can make in this regard by improving efficiency of production and facilitating the conduct of international trade;

Desiring therefore to encourage the development of such international standards and certification systems;

Desiring however to ensure that technical regulations and standards, including packaging, marking and labelling requirements, and methods for certifying conformity with technical regulations and standards do not create unnecessary obstacles to international trade;

Recognizing that no country should be prevented from taking measures necessary to ensure the quality of its exports, or for the protection of human, animal or plant life or health, of the environment, or for the prevention of deceptive practices, subject to the requirement that they are not applied in a manner which would constitute a means of arbitrary or unjustifiable discrimination between countries where the same conditions prevail or a disguised restriction on international trade;

Recognizing that no country should be prevented from taking measures necessary for the protection of its essential security interest;

Recognizing the contribution which international standardization can make to the transfer of technology from developed to developing countries;

Recognizing that developing countries may encounter special difficulties in the formulation and application of technical regulations and standards and methods for certifying conformity with technical regulations and standards, and desiring to assist them in their endeavours in this regard;

Hereby agree as follows:

Article 1 General provisions

1.1 General terms for standardization and certification shall normally have the meaning given to them by definitions adopted within the United Nations system and by international standardizing bodies taking into account their context and in the light of the object and purpose of this Agreement.
1.2 However, for the purposes of this Agreement the meaning of the terms given in Annex 1 applies.

1.3 All products, including industrial and agricultural products, shall be subject to the provisions of this Agreement.

1.4 Purchasing specifications prepared by governmental bodies for production or consumption requirements of governmental bodies are not subject to the provisions of this Agreement but are addressed in the Agreement on Government Procurement, according to its coverage.

1.5 All references in this Agreement to technical regulations, standards, methods for assuring conformity with technical regulations or standards and certification systems shall be construed to include any amendments thereto and any additions to the rules or the product coverage thereof, except amendments and additions of an insignificant nature.

Technical regulations and standards

Article 2 Preparation, adoption and application of technical regulations and standards by central government bodies

With respect to their central government bodies:

2.1 Parties shall ensure that technical regulations and standards are not prepared, adopted or applied with a view to creating obstacles to international trade. Furthermore, products imported from the territory of any Party shall be accorded treatment no less favourable than that accorded to like products of national origin and to like products originating in any other country in relation to such technical regulations or standards. They shall likewise ensure that neither technical regulations nor standards themselves nor their application have the effect of creating unnecessary obstacles to international trade.

2.2 Where technical regulations or standards are required and relevant international standards exist or their completion is imminent, Parties shall use them, or the relevant parts of them, as a basis for the technical regulations or standards except where, as duly explained upon request, such international standards or relevant parts are inappropriate for the Parties concerned, for inter alia such reasons as national security requirements; the prevention of deceptive practices; protection for human health or safety, animal or plant life or health, or the environment; fundamental climatic or other geographical factors; fundamental technological problems.

2.3 With a view to harmonizing technical regulations or standards on as wide a basis as possible, Parties shall play a full part within the limits of their resources in the preparation by appropriate international standardizing bodies of international standards for products for which they either have adopted, or expect to adopt, technical regulations or standards.
2.4 Wherever appropriate, Parties shall specify technical regulations and standards in terms of performance rather than design or descriptive characteristics.

2.5 Whenever a relevant international standard does not exist or the technical content of a proposed technical regulation or standard is not substantially the same as the technical content of relevant international standards, and if the technical regulation or standard may have a significant effect on trade of other Parties, Parties shall:

2.5.1 publish a notice in a publication at an early appropriate stage, in such a manner as to enable interested parties to become acquainted with it, that they propose to introduce a particular technical regulation or standard;

2.5.2 notify other Parties through the GATT secretariat of the products to be covered by technical regulations together with a brief indication of the objective and rationale of proposed technical regulations;

2.5.3 upon request, provide without discrimination, to other Parties in regard to technical regulations and to interested parties in other Parties in regard to standards, particulars or copies of the proposed technical regulation or standard and, whenever possible, identify the parts which in substance deviate from relevant international standards;

2.5.4 in regard to technical regulations allow, without discrimination, reasonable time for other Parties to make comments in writing, discuss these comments upon request, and take these written comments and the results of these discussions into account;

2.5.5 in regard to standards, allow reasonable time for interested parties in other Parties to make comments in writing, discuss these comments upon request with other Parties and take these written comments and the results of these discussions into account.

2.6 Subject to the provisions in the heading of Article 2, paragraph 5, where urgent problems of safety, health, environmental protection or national security arise or threaten to arise for a Party, that Party may omit such of the steps enumerated in Article 2, paragraph 5 as it finds necessary provided that the Party, upon adoption of a technical regulation or standard, shall:

2.6.1 notify immediately other Parties through the GATT secretariat of the particular technical regulation, the products covered, with a brief indication of the objective and the rationale of the technical regulation, including the nature of the urgent problems;
2.6.2 upon request provide, without discrimination other Parties with copies of the technical regulation and interested parties in other Parties with copies of the standard;

2.6.3 allow, without discrimination, other Parties with respect to technical regulations and interested parties in other Parties with respect to standards, to present their comments in writing upon request discuss these comments with other Parties and take the written comments and the results of any such discussion into account;

2.6.4 take also into account any action by the Committee as a result of consultations carried out in accordance with the procedures established in Article 14.

2.7 Parties shall ensure that all technical regulations and standards which have been adopted are published promptly in such a manner as to enable interested parties to become acquainted with them.

2.8 Except in those urgent circumstances referred to in Article 2, paragraph 6, Parties shall allow a reasonable interval between the publication of a technical regulation and its entry into force in order to allow time for producers in exporting countries, and particularly in developing countries, to adapt their products or methods of production to the requirements of the importing country.

2.9 Parties shall take such reasonable measures as may be available to them to ensure that regional standardizing bodies of which they are members comply with the provisions of Article 2, paragraphs 1 to 8. In addition Parties shall not take measures which have the effect of, directly or indirectly, requiring or encouraging such bodies to act in a manner inconsistent with those provisions.

2.10 Parties which are members of regional standardizing bodies shall, when adopting a regional standard as a technical regulation or standard fulfil the obligations of Article 2, paragraphs 1 to 8 except to the extent that the regional standardizing bodies have fulfilled these obligations.

Article 3 Preparation, adoption and application of technical regulations and standards by local government bodies

3.1 Parties shall take such reasonable measures as may be available to them to ensure that local government bodies within their territories comply with the provisions of Article 2 with the exception of Article 2, paragraph 3, paragraph 5, sub-paragraph 2, paragraph 9 and paragraph 10, noting that provision of information regarding technical regulations referred to in Article 2, paragraph 5, sub-paragraph 3 and paragraph 6, sub-paragraph 2 and comment and discussion referred to in Article 2, paragraph 5, sub-paragraph 4 and paragraph 6, sub-paragraph 3 shall be through Parties. In addition, Parties shall not take measures which have the effect of, directly or indirectly, requiring or encouraging such local government bodies to act in a manner inconsistent with any of the provisions of Article 2.
Article 4 Preparation, adoption and application of technical regulations and standards by non-governmental bodies

4.1 Parties shall take such reasonable measures as may be available to them to ensure that non-governmental bodies within their territories comply with the provisions of Article 2, with the exception of Article 2, paragraph 5, sub-paragraph 2 and provided that comment and discussion referred to in Article 2, paragraph 5, sub-paragraph 4 and paragraph 6, sub-paragraph 3 may also be with interested parties in other Parties. In addition, Parties shall not take measures which have the effect of, directly or indirectly, requiring or encouraging such non-governmental bodies to act in a manner inconsistent with any of the provisions of Article 2.

Conformity with technical regulations and standards

Article 5 Determination of conformity with technical regulations or standards by central government bodies

5.1 Parties shall ensure that, in cases where a positive assurance is required that products conform with technical regulations or standards, central government bodies apply the following provisions to products originating in the territories of other Parties:

5.1.1 imported products shall be accepted for testing under conditions no less favourable than those accorded to like domestic or imported products in a comparable situation;

5.1.2 the test methods and administrative procedures for imported products shall be no more complex and no less expeditious than the corresponding methods and procedures, in a comparable situation for like products of national origin or originating in any other country;

5.1.3 any fees imposed for testing imported products shall be equitable in relation to any fees chargeable for testing like products of national origin or originating in any other country;

5.1.4 the results of tests shall be made available to the exporter or importer or their agents, if requested, so that corrective action may be taken if necessary;

5.1.5 the siting of testing facilities and the selection of samples for testing shall not be such as to cause unnecessary inconvenience for importers, exporters or their agents;

5.1.6 the confidentiality of information about imported products arising from or supplied in connection with such tests shall be respected in the same way as for domestic products.
5.2 However, in order to facilitate the determination of conformity with technical regulations and standards where such positive assurance is required, Parties shall ensure, whenever possible, that their central government bodies:

accept test results, certificates or marks of conformity issued by relevant bodies in the territories of other Parties; or rely upon self-certification by producers in the territories of other Parties;

even when the test methods differ from their own, provided they are satisfied that the methods employed in the territory of the exporting Party provide a sufficient means of determining conformity with the relevant technical regulations or standards. It is recognized that prior consultations may be necessary in order to arrive at a mutually satisfactory understanding regarding self-certification, test methods and results, and certificates or marks of conformity employed in the territory of the exporting Party, in particular in the case of perishable products or of other products which are liable to deteriorate in transit.

5.3 Parties shall ensure that test methods and administrative procedures used by central government bodies are such as to permit, so far as practicable, the implementation of the provisions in Article 5, paragraph 2.

5.4 Nothing in this Article shall prevent Parties from carrying out reasonable spot checks within their territories.

Article 6 Determination by local government bodies and non-governmental bodies of conformity with technical regulations or standards

6.1 Parties shall take such reasonable measures as may be available to them to ensure that local government bodies and non-governmental bodies within their territories comply with the provisions of Article 5. In addition, Parties shall not take measures which have the effect of, directly or indirectly, requiring or encouraging such bodies to act in a manner inconsistent with any of the provisions of Article 5.

Certification systems

Article 7 Certification systems operated by central government bodies

With respect to their central government bodies:

7.1 Parties shall ensure that certification systems are not formulated or applied with a view to creating obstacles to international trade. They shall likewise ensure that neither such certification systems themselves nor their application have the effect of creating unnecessary obstacles to international trade.
7.2 Parties shall ensure that certification systems are formulated and applied so as to grant access for suppliers of like products originating in the territories of other Parties under conditions no less favourable than those accorded to suppliers of like products of national origin or originating in any other country, including the determination that such suppliers are able and willing to fulfill the requirements of the system. Access for suppliers is obtaining certification from an importing Party under the rules of the system. Access for suppliers also includes receiving the mark of the system, if any, under conditions no less favourable than those accorded to suppliers of like products of national origin or originating in any other country.

7.3 Parties shall:

7.3.1 publish a notice in a publication at an early appropriate stage, in such a manner as to enable interested parties to become acquainted with it, that they propose to introduce a certification system;

7.3.2 notify the GATT secretariat of the products to be covered by the proposed system together with a brief description of the objective of the proposed system;

7.3.3 upon request provide, without discrimination, to other Parties particulars or copies of the proposed rules of the system;

7.3.4 allow, without discrimination, reasonable time for other Parties to make comments in writing on the formulation and operation of the system, discuss the comments upon request and take them into account.

7.4 However, where urgent problems of safety, health, environmental protection or national security arise or threaten to arise for a Party, that Party may omit such of the steps enumerated in Article 7, paragraph 3 as it finds necessary provided that the Party, upon adoption of the certification system, shall:

7.4.1 notify immediately the other Parties through the GATT secretariat of the particular certification system and the products covered, with a brief indication of the objective and the rationale of the certification system including the nature of the urgent problems;

7.4.2 upon request provide, without discrimination, other Parties with copies of the rules of the system;

7.4.3 allow, without discrimination, other Parties to present their comments in writing, discuss these comments upon request and take the written comments and results of any such discussion into account.

7.5 Parties shall ensure that all adopted rules of certification systems are published.
Article 8 Certification systems operated by local government and non-governmental bodies

8.1 Parties shall take such reasonable measures as may be available to them to ensure that local government bodies and non-governmental bodies within their territories when operating certification systems comply with the provisions of Article 7, except paragraph 3, sub-paragraph 2, noting that the provision of information referred to in Article 7, paragraph 3, sub-paragraph 3 and paragraph 4, sub-paragraph 2, the notification referred to in Article 7, paragraph 4, sub-paragraph 1, and the comment and discussion referred to in Article 7, paragraph 4, sub-paragraph 3, shall be through Parties. In addition, Parties shall not take measures which have the effect of, directly or indirectly, requiring or encouraging such bodies to act in a manner inconsistent with any of the provisions of Article 7.

8.2 Parties shall ensure that their central government bodies rely on certification systems operated by local government and non-governmental bodies only to the extent that these bodies and systems comply with the relevant provisions of Article 7.

Article 9 International and regional certification systems

9.1 Where a positive assurance, other than by the supplier, of conformity with a technical regulation or standard is required, Parties shall, wherever practicable, formulate international certification systems and become members thereof or participate therein.

9.2 Parties shall take such reasonable measures as may be available to them to ensure that international and regional certification systems in which relevant bodies within their territories are members or participants comply with the provisions of Article 7, with the exception of paragraph 2 having regard to the provisions of Article 9, paragraph 3. In addition, Parties shall not take any measures which have the effect of, directly or indirectly, requiring or encouraging such systems to act in a manner inconsistent with any of the provisions of Article 7.

9.3 Parties shall take such reasonable measures as may be available to them to ensure that international and regional certification systems, in which relevant bodies within their territories are members or participants, are formulated and applied so as to grant access for suppliers of like products originating in the territories of other Parties, under conditions no less favourable than those accorded to suppliers of like products originating in a member country, a participant country or in any other country, including the determination that such suppliers are able and willing to fulfil the requirements of the system. Access for suppliers is obtaining certification from an importing Party which is a member of or participant in the system, or from a body authorized by the system to grant certification, under the rules of the system. Access for suppliers also includes receiving the mark of the system, if any, under conditions no less favourable than those accorded to suppliers of like products originating in a member country or a participant country.
9.4 Parties shall ensure that their central government bodies rely on international or regional certification systems only to the extent that the systems comply with the provisions of Article 7 and Article 9, paragraph 3.

Information and assistance

Article 10 Information about technical regulations, standards and certification systems

10.1 Each Party shall ensure that an enquiry point exists which is able to answer all reasonable enquiries from interested parties in other Parties regarding:

10.1.1 any technical regulations adopted or proposed within its territory by central or local government bodies, by non-governmental bodies which have legal power to enforce a technical regulation, or by regional standardizing bodies of which such bodies are members or participants;

10.1.2 any standards adopted or proposed within its territory by central or local government bodies, or by regional standardizing bodies of which such bodies are members or participants;

10.1.3 any certification systems, or proposed certification systems, which are operated within its territory by central or local government bodies, or by non-governmental bodies which have legal power to enforce a technical regulation, or by regional certification bodies of which such bodies are members or participants;

10.1.4 the location of notices published pursuant to this Agreement, or the provision of information as to where such information can be obtained; and

10.1.5 the location of the enquiry points mentioned in Article 10, paragraph 2.

10.2 Each Party shall take such reasonable measures as may be available to it to ensure that one or more enquiry points exist which are able to answer all reasonable enquiries from interested parties in other Parties regarding:

10.2.1 any standards adopted or proposed within its territory by non-governmental standardizing bodies, or by regional standardizing bodies of which such bodies are members or participants; and

10.2.2 any certification systems, or proposed certification systems, which are operated within its territory by non-governmental certification bodies, or by regional certification bodies of which such bodies are members or participants.
10.3 Parties shall take such reasonable measures as may be available to them to ensure that where copies of documents are requested by other Parties, or by interested parties in other Parties in accordance with the provisions of this Agreement, they are supplied at the same price (if any) as to the nationals of the Party concerned.

10.4 The GATT secretariat will, when it receives notifications in accordance with the provisions of this Agreement, circulate copies of the notifications to all Parties and interested international standardizing and certification bodies and draw the attention of developing country Parties to any notifications relating to products of particular interest to them.

10.5 Nothing in this Agreement shall be construed as requiring:

10.5.1 the publication of texts other than in the language of the Party;

10.5.2 the provision of particulars or copies of drafts other than in the language of the Party; or

10.5.3 Parties to furnish any information, the disclosure of which they consider contrary to their essential security interests.

10.6 Notifications to the GATT secretariat shall be in English, French or Spanish.

10.7 Parties recognize the desirability of developing centralized information systems with respect to the preparation, adoption and application of all technical regulations, standards and certification systems within their territories.

Article 11 Technical assistance to other Parties

11.1 Parties shall, if requested, advise other Parties, especially the developing countries, on the preparation of technical regulations.

11.2 Parties shall, if requested, advise other Parties, especially the developing countries and shall grant them technical assistance on mutually agreed terms and conditions regarding the establishment of national standardizing bodies and participation in the international standardizing bodies and shall encourage their national standardizing bodies to do likewise.

11.3 Parties shall, if requested, take such reasonable measures as may be available to them to arrange for the regulatory bodies within their territories to advise other Parties, especially the developing countries, and shall grant them technical assistance on mutually agreed terms and conditions regarding:
11.3.1 the establishment of regulatory bodies, or certification bodies for providing a certificate or mark of conformity with technical regulations; and

11.3.2 the methods by which their technical regulations can best be met.

11.4 Parties shall, if requested, take such reasonable measures as may be available to them to arrange for advice to be given to other Parties, especially the developing countries, and shall grant them technical assistance on mutually agreed terms and conditions regarding the establishment of certification bodies for providing a certificate or mark of conformity with standards adopted within the territory of the requesting Party.

11.5 Parties shall, if requested, advise other Parties, especially the developing countries, and shall grant them technical assistance on mutually agreed terms and conditions regarding the steps that should be taken by their producers, if they wish to take part in certification systems operated by governmental or non-governmental bodies within the territory of the Party receiving the request.

11.6 Parties which are members or participants of international or regional certification systems shall, if requested, advise other Parties, especially the developing countries, and shall grant them technical assistance on mutually agreed terms and conditions regarding the establishment of the institutions and legal framework which would enable them to fulfill the obligations of membership or participation in such systems.

11.7 Parties shall, if so requested, encourage certification bodies within their territories, if such bodies are members or participants of international or regional certification systems to advise other Parties, especially the developing countries, and should consider requests for technical assistance from them regarding the establishment of the institutions which would enable the relevant bodies within their territories to fulfill the obligations of membership or participation.

11.8 In providing advice and technical assistance to other Parties in terms of Article 11, paragraphs 1 to 7, Parties shall give priority to the needs of the least-developed countries.

Article 12 Special and differential treatment of developing countries

12.1 Parties shall provide differential and more favourable treatment to developing country Parties to this Agreement, through the following provisions as well as through the relevant provisions of other Articles of this Agreement.
12.2 Parties shall give particular attention to the provisions of this Agreement concerning developing countries' rights and obligations and shall take into account the special development, financial and trade needs of developing countries in the implementation of this Agreement both nationally and in the operation of this Agreement's institutional arrangements.

12.3 Parties shall, in the preparation and application of technical regulations, standards, test methods and certification systems, take account of the special development, financial and trade needs of developing countries, with a view to ensuring that such technical regulations, standards, test methods and certification systems and the determination of conformity with technical regulations and standards do not create unnecessary obstacles to exports from developing countries.

12.4 Parties recognize that, although international standards may exist, in their particular technological and socio-economic conditions, developing countries adopt certain technical regulations or standards, including test methods, aimed at preserving indigenous technology and production methods and processes compatible with their development needs. Parties therefore recognize that developing countries should not be expected to use international standards as a basis for their technical regulations or standards, including test methods, which are not appropriate to their development, financial and trade needs.

12.5 Parties shall take such reasonable measures as may be available to them to ensure that international standardizing bodies and international certification systems are organized and operated in a way which facilitates active and representative participation of relevant bodies in all Parties taking into account the special problems of developing countries.

12.6 Parties shall take such reasonable measures as may be available to them to ensure that international standardizing bodies, upon request of developing countries, examine the possibility of, and if practicable, prepare international standards concerning products of special interest to developing countries.

12.7 Parties shall, in accordance with the provisions of Article 11, provide technical assistance to developing countries to ensure that the preparation and application of technical regulations, standards, test methods and certification systems do not create unnecessary obstacles to the expansion and diversification of exports from developing countries. In determining the terms and conditions of the technical assistance, account shall be taken of the stage of development of the requesting country and in particular of the least-developed countries.

12.8 It is recognized that developing countries may face special problems, including institutional and infrastructural problems, in the field of preparation and application of technical regulations, standards, test methods and certification systems. It is further recognized that the special development and trade needs of developing countries, as well as...
their stage of technological development, may hinder their ability to discharge fully their obligations under this Agreement. Parties, therefore, shall take this fact fully into account. Accordingly, with a view to ensuring that developing countries are able to comply with this Agreement, the Committee is enabled to grant upon request specified, time-limited exceptions in whole or in part from obligations under this Agreement. When considering such requests the Committee shall take into account the special problems, in the field of preparation and application of technical regulations, standards, test methods and certification systems and the special development and trade needs of the developing country, as well as its stage of technological development, which may hinder its ability to discharge fully its obligations under this Agreement. The Committee shall in particular, take into account the special problems of the least-developed countries.

12.9 During consultations, developed countries shall bear in mind the special difficulties experienced by developing countries in formulating and implementing standards and technical regulations and methods of ensuring conformity with those standards and technical regulations, and in their desire to assist developing countries with their efforts in this direction, developed countries shall take account of the special needs of the former in regard to financing, trade and development.

12.10 The Committee shall examine periodically the special and differential treatment as laid down in this Agreement, granted to developing countries, on national and international levels.

Institutions, consultation and dispute settlement

Article 13 The Committee on Technical Barriers to Trade

There shall be established under this Agreement:

13.1 A Committee on Technical Barriers to Trade composed of representatives from each of the Parties (hereinafter referred to as "the Committee"). The Committee shall elect its own Chairman and shall meet as necessary but no less than once a year for the purpose of affording Parties the opportunity of consulting on any matters relating to the operation of this Agreement or the furtherance of its objectives and shall carry out such responsibilities as assigned to it under this Agreement or by the Parties;

13.2 Working parties, technical expert groups, panels or other bodies as may be appropriate, which shall carry out such responsibilities as may be assigned to them by the Committee in accordance with the relevant provisions of this Agreement.

13.3 It is understood that unnecessary duplication should be avoided between the work under this Agreement and that of governments in other technical bodies, e.g. the Joint FAO/WHO Codex Alimentarius Commission. The Committee shall examine this problem with a view to minimizing such duplication.
Article 14 Consultation and dispute settlement

Consultation

14.1 Each Party shall afford sympathetic consideration to and adequate opportunity for prompt consultation regarding representations made by other Parties with respect to any matter affecting the operation of this Agreement.

14.2 If any Party considers that any benefit accruing to it, directly or indirectly, under this Agreement is being nullified or impaired, or that the attainment of any objective of this Agreement is being impeded, by another Party or Parties, and that its trade interests are significantly affected, the Party may make written representations or proposals to the other Party or Parties which it considers to be concerned. Any Party shall give sympathetic consideration to the representations or proposals made to it, with a view to reaching a satisfactory resolution of the matter.

Dispute settlement

14.3 It is the firm intention of Parties that all disputes under this Agreement shall be promptly and expeditiously settled, particularly in the case of perishable products.

14.4 If no solution has been reached after consultations under Article 14, paragraphs 1 and 2, the Committee shall meet at the request of any Party to the dispute within thirty days of receipt of such a request, to investigate the matter with a view to facilitating a mutually satisfactory solution.

14.5 In investigating the matter and in selecting, subject, inter alia, to the provisions of Article 14, paragraphs 9 and 14, the appropriate procedures the Committee shall take into account whether the issues in dispute relate to commercial policy considerations and/or to questions of a technical nature requiring detailed consideration by experts.

14.6 In the case of perishable products the Committee shall, in keeping with Article 14, paragraph 3, consider the matter in the most expeditious manner possible with a view to facilitating a mutually satisfactory solution within three months of the request for the Committee investigation.

14.7 It is understood that where disputes arise affecting products with a definite crop cycle of twelve months, every effort would be made by the Committee to deal with these disputes within a period of twelve months.

14.8 During any phase of a dispute settlement procedure including the earliest phase, competent bodies and experts in matters under consideration may be consulted and invited to attend the meetings of the Committee; appropriate information and assistance may be requested from such bodies and experts.
Technical issues

14.9 If no mutually satisfactory solution has been reached under the procedures of Article 14, paragraph 4 within three months of the request for the Committee investigation, upon the request of any Party to the dispute who considers the issues to relate to questions of a technical nature the Committee shall establish a technical expert group and direct it to:

- examine the matter;
- consult with the Parties to the dispute and give full opportunity for them to develop a mutually satisfactory solution;
- make a statement concerning the facts of the matter; and
- make such findings as will assist the Committee in making recommendations or giving rulings on the matter, including inter alia, and if appropriate, findings concerning the detailed scientific judgments involved, whether the measure was necessary for the protection of human, animal or plant life or health, and whether a legitimate scientific judgment is involved.

14.10 Technical expert groups shall be governed by the procedures of Annex 2.

14.11 The time required by the technical expert group considering questions of a technical nature will vary with the particular case. The technical expert group should aim to deliver its findings to the Committee within six months from the date the technical issue was referred to it, unless extended by mutual agreement between the Parties to the dispute.

14.12 Reports should set out the rationale behind any findings that they make.

14.13 If no mutually satisfactory solution has been reached after completion of the procedures in this Article, and any Party to the dispute requests a panel, the Committee shall establish a panel which shall operate under the provisions of Article 14, paragraphs 15 to 18.

Panel proceedings

14.14 If no mutually satisfactory solution has been reached under the procedures of Article 14, paragraph 4 within three months of the request for the Committee investigation and the procedures of Article 14, paragraphs 9 to 13 have not been invoked, the Committee shall, upon request of any Party to the dispute, establish a panel.

14.15 When a panel is established, the Committee shall direct it to:

- examine the matter;
- consult with Parties to the dispute and give full opportunity for them to develop a mutually satisfactory solution;
make a statement concerning the facts of the matter as they relate to the application of provisions of this Agreement and make such findings as will assist the Committee in making recommendations or giving rulings on the matter.

14.16 Panels shall be governed by the procedures in Annex 3.

14.17 Panels shall use the report of any technical expert group established under Article 14 paragraph 9 as the basis for its consideration of issues that involve questions of a technical nature.

14.18 The time required by panels will vary with the particular case. They should aim to deliver their findings, and where appropriate, recommendations to the Committee without undue delay, normally within a period of four months from the date that the panel was established.

**Enforcement**

14.19 After the investigation is complete or after the report of a technical expert group, working group, panel or other body is presented to the Committee, the Committee shall give the matter prompt consideration. With respect to panel reports, the Committee shall take appropriate action normally within thirty days of receipt of the report, unless extended by the Committee, including:

- a statement concerning the facts of the matter; or
- recommendations to one or more Parties; or
- any other ruling which it deems appropriate.

14.20 If a Party to which recommendations are addressed considers itself unable to implement them, it should promptly furnish reasons in writing to the Committee. In that event the Committee shall consider what further action may be appropriate.

14.21 If the Committee considers that the circumstances are serious enough to justify such action, it may authorize one or more Parties to suspend, in respect of any other Party, the application of such obligations under this Agreement as it determines to be appropriate in the circumstances. In this respect, the Committee may, inter alia, authorize the suspension of the application of obligations, including those in Articles 5 to 9, in order to restore mutual economic advantage and balance of rights and obligations.

14.22 The Committee shall keep under surveillance any matter on which it has made recommendations or given rulings.
Other provisions relating to dispute settlement

Procedures

14.23 If disputes arise between Parties relating to rights and obligations of this Agreement, Parties should complete the dispute settlement procedures under this Agreement before availing themselves of any rights which they have under the GATT. Parties recognize that, in any case so referred to the CONTRACTING PARTIES, any finding, recommendation or ruling pursuant to Article 14, paragraphs 9 to 18 may be taken into account by the CONTRACTING PARTIES, to the extent they relate to matters involving equivalent rights and obligations under the General Agreement. When Parties resort to GATT Article XXIII, a determination under that Article shall be based on GATT provisions only.

Levels of obligation

14.24 The dispute settlement provisions set out above can be invoked in cases where a Party considers that another Party has not achieved satisfactory results under Articles 3, 4, 6, 8 and 9 and its trade interests are significantly affected. In this respect, such results shall be equivalent to those envisaged in Articles 2, 5 and 7 as if the body in question were a Party.

Processes and production methods

14.25 The dispute settlement procedures set out above can be invoked in cases where a Party considers that obligations under this Agreement are being circumvented by the drafting of requirements in terms of processes and production methods rather than in terms of characteristics of products.

Retroactivity

14.26 To the extent that a Party considers that technical regulations, standards, methods for assuring conformity with technical regulations or standards, or certification systems which exist at the time of entry into force of this Agreement are not consistent with the provisions of this Agreement, such regulations, standards, methods and systems shall be subject to the provisions in Articles 13 and 14 of this Agreement, in so far as they are applicable.

Final provisions

Article 15 Final provisions

Acceptance and accession

15.1 This Agreement shall be open for acceptance by signature or otherwise, by governments contracting parties to the GATT, and by the European Economic Community.
15.2 This Agreement shall be open for acceptance by signature or otherwise by governments having provisionally acceded to the GATT, on terms related to the effective application of rights and obligations under this Agreement, which take into account rights and obligations in the instruments providing for their provisional accession.

15.3 This Agreement shall be open to accession by any other government on terms, related to the effective application of rights and obligations under this Agreement, to be agreed between that government and the Parties, by the deposit with the Director-General to the CONTRACTING PARTIES to the GATT of an instrument of accession which states the terms so agreed.

15.4 In regard to acceptance, the provisions of Article XXVI:5(a) and (b) of the General Agreement would be applicable.

Reservations

15.5 Reservations may not be entered in respect of any of the provisions of this Agreement without the consent of the other Parties.

Entry into force

15.6 This Agreement shall enter into force on 1 January 1980 for the governments* which have accepted or acceded to it by that date. For each other government it shall enter into force on the thirtieth day following the date of its acceptance or accession to this Agreement.

Review

15.7 Each Party shall, promptly after the date on which this Agreement enters into force for the Party concerned, inform the Committee of measures in existence or taken to ensure the implementation and administration of this Agreement. Any changes of such measures thereafter shall also be notified to the Committee.

15.8 The Committee shall review annually the implementation and operation of this Agreement taking into account the objectives thereof. The Committee shall annually inform the CONTRACTING PARTIES to the GATT of developments during the period covered by such reviews.

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*The term "government" is deemed to include the competent authorities of the European Economic Community.
15.9 Not later than the end of the third year from the entry into force of this Agreement and at the end of each three-year period thereafter, the Committee shall review the operation and implementation of this Agreement, including the provisions relating to transparency, with a view to adjusting the rights and obligations of this Agreement where necessary to ensure mutual economic advantage and balance of rights and obligations, without prejudice to the provisions of Article 12, and where appropriate proposing amendments to the text of this Agreement having regard, inter alia, to the experience gained in its implementation.

Amendments

15.10 The Parties may amend this Agreement having regard, inter alia, to the experience gained in its implementation. Such an amendment, once the Parties have concurred in accordance with procedures established by the Committee, shall not come into force for any Party until it has been accepted by such Party.

Withdrawal

15.11 Any Party may withdraw from this Agreement. The withdrawal shall take effect upon the expiration of sixty days from the day on which written notice of withdrawal is received by the Director-General to the CONTRACTING PARTIES to the GATT. Any Party may upon such notification request an immediate meeting of the Committee.

Non-application of this Agreement between particular Parties

15.12 This Agreement shall not apply as between any two Parties if either of the Parties, at the time either accepts or accedes to this Agreement, does not consent to such application.

Annexes

15.13 The annexes to this Agreement constitute an integral part thereof.

Secretariat

15.14 This Agreement shall be serviced by the GATT secretariat.

Deposit

15.15 This Agreement shall be deposited with the Director-General to the CONTRACTING PARTIES to the GATT, who shall promptly furnish to each Party and each contracting party to the GATT a certified copy thereof and of each amendment thereto pursuant to Article 15, paragraph 10 and a notification of each acceptance thereof or accession thereto pursuant to Article 15, paragraphs 1 to 3 and of each withdrawal therefrom pursuant to Article 15, paragraph 11.
Registration

15.16 This Agreement shall be registered in accordance with the provisions of Article 102 of the Charter of the United Nations.

Done at Geneva this twelfth day of April nineteen hundred and seventy-nine in a single copy, in the English, French and Spanish languages, each text being authentic.
ANNEX I

TERMS AND THEIR DEFINITIONS FOR THE
SPECIFIC PURPOSES OF THIS AGREEMENT

Note: References to the definitions of international standardizing bodies in the explanatory notes are made as they stood in March 1979.

1. Technical specification

A specification contained in a document which lays down characteristics of a product such as levels of quality, performance, safety or dimensions. It may include, or deal exclusively with terminology, symbols, testing and test methods, packaging, marking or labelling requirements as they apply to a product.

Explanatory note:

This Agreement deals only with technical specifications relating to products. Thus the wording of the corresponding Economic Commission for Europe/International Organization for Standardization definition is amended in order to exclude services and codes of practice.

2. Technical regulation

A technical specification, including the applicable administrative provisions, with which compliance is mandatory.

Explanatory note:

The wording differs from the corresponding Economic Commission for Europe/International Organization for Standardization definition because the latter is based on the definition of regulation which is not defined in this Agreement. Furthermore the Economic Commission for Europe/International Organization for Standardization definition contains a normative element which is included in the operative provisions of this Agreement. For the purposes of this Agreement, this definition covers also a standard of which the application has been made mandatory not by separate regulation but by virtue of a general law.

3. Standard

A technical specification approved by a recognized standardizing body for repeated or continuous application, with which compliance is not mandatory.
Explanatory note:

The corresponding Economic Commission for Europe/International Organization for Standardization definition contains several normative elements which are not included in the above definition. Accordingly, technical specifications which are not based on consensus are covered by this Agreement. This definition does not cover technical specifications prepared by an individual company for its own production or consumption requirements. The word "body" covers also a national standardizing system.

4. International body or system

A body or system whose membership is open to the relevant bodies of at least all Parties to this Agreement.

5. Regional body or system

A body or system whose membership is open to the relevant bodies of only some of the Parties.

6. Central government body

Central government, its ministries and departments or any body subject to the control of the central government in respect of the activity in question.

Explanatory note:

In the case of the European Economic Community the provisions governing central government bodies apply. However, regional bodies or certification systems may be established within the European Economic Community, and in such cases would be subject to the provisions of this Agreement on regional bodies or certification systems.

7. Local government body

A government other than a central government (e.g. states, provinces, Länder, cantons, municipalities, etc.), its ministries or departments or any body subject to the control of such a government in respect of the activity in question.

8. Non-governmental body

A body other than a central government body or a local government body, including a non-governmental body which has legal power to enforce a technical regulation.

9. Standardizing body

A governmental or non-governmental body, one of whose recognized activities is in the field of standardization.
10. **International standard**

   A standard adopted by an international standardizing body.

   **Explanatory note:**
   
   The wording differs from the corresponding Economic Commission for Europe/International Organization for Standardization definition in order to make it consistent with other definitions of this Agreement.
ANNEX 2

TECHNICAL EXPERT GROUPS

The following procedures shall apply to technical expert groups established in accordance with the provisions of Article 14.

1. Participation in technical expert groups shall be restricted to persons, preferably government officials, of professional standing and experience in the field in question.

2. Citizens of countries whose central governments are Parties to a dispute shall not be eligible for membership of the technical expert group concerned with that dispute. Members of technical expert groups shall serve in their individual capacities and not as government representatives, nor as representatives of any organization. Governments or organizations shall therefore not give them instructions with regard to matters before a technical expert group.

3. The Parties to a dispute shall have access to all relevant information provided to a technical expert group, unless it is of a confidential nature. Confidential information provided to the technical expert group shall not be revealed without formal authorization from the government or person providing the information. Where such information is requested from the technical expert group but release of such information by the technical expert group is not authorized, a non-confidential summary of the information will be provided by the government or person supplying the information.

4. To encourage development of mutually satisfactory solutions between the Parties and with a view to obtaining their comments, each technical expert group should first submit the descriptive part of its report to the Parties concerned, and should subsequently submit to the Parties to the dispute its conclusions, or an outline thereof, a reasonable period of time before they are circulated to the Parties.
ANNEX 3

PANELS

The following procedures shall apply to panels established in accordance with the provisions of Article 14.

1. In order to facilitate the constitution of panels, the Chairman of the Committee shall maintain an informal indicative list of government officials knowledgeable in the area of technical barriers to trade and experienced in the field of trade relations and economic development. This list may also include persons other than government officials. In this connexion, each Party shall be invited to indicate at the beginning of every year to the Chairman of the Committee the name(s) of the one or two governmental experts whom the Parties would be willing to make available for such work. When a panel is established under Article 14, paragraph 13 or Article 14, paragraph 14, the Chairman, within seven days shall propose the composition of the panel consisting of three or five members, preferably government officials. The Parties directly concerned shall react within seven working days to nominations of panel members by the Chairman and shall not oppose nominations except for compelling reasons. Citizens of countries whose central governments are Parties to a dispute shall not be eligible for membership of the panel concerned with that dispute. Panel members shall serve in their individual capacities and not as government representatives, nor as representatives of any organization. Governments or organizations shall therefore not give them instructions with regard to matters before a panel.

2. Each panel shall develop its own working procedures. All Parties having a substantial interest in the matter and having notified this to the Committee, shall have an opportunity to be heard. Each panel may consult and seek information and technical advice from any source it deems appropriate. Before a panel seeks such information or technical advice from a source within the jurisdiction of a Party, it shall inform the government of that Party. In case such consultation with competent bodies and experts is necessary it should be at the earliest possible stage of the dispute settlement procedure. Any Party shall respond promptly and fully to any request by a panel for such information as the panel considers necessary and appropriate. Confidential information provided to the panel shall not be revealed without formal authorization from the government or person providing the information. Where such information is requested from the panel but release of such information by the panel is not authorized, a non-confidential summary of the information will be provided by the government or person supplying the information.

3. Where the Parties to a dispute have failed to come to a satisfactory solution, the panel shall submit its findings in a written form. Panel reports should normally set out the rationale behind any findings and recommendations that it makes. Where a bilateral settlement of the matter has been found, the report of the panel may be confined to a brief description of the case and to reporting that a solution has been reached.
4. To encourage development of mutually satisfactory solutions between the Parties and with a view to obtaining their comments, each panel should first submit the descriptive part of its report to the Parties concerned, and should subsequently submit to the Parties to the dispute its conclusions, or an outline thereof, a reasonable period of time before they are circulated to the Parties.
Letter from Viscount Davignon to Ambassador McDonald concerning the need for an effective balance of rights and obligations between participants in Agreement on Technical Barriers to Trade and a declaration by the European Community relating thereto.

With reference to the agreement on technical barriers to trade concluded in the multilateral trade negotiations, I confirm that the declaration the Community representative made in Geneva on April 12, 1979 relating to this agreement was designed to stress the need for a genuine and effective balance between members' rights and obligations.

We affirm our intention fully to comply with the letter and spirit of this agreement as indeed we assume is the intention of the United States side.
Community Declaration concerning the

AGREEMENT ON TECHNICAL BARRIERS TO TRADE

"The Community notes that this Code has been designed to afford members mutual and reciprocal economic advantages and that this must entail a genuine balance between members' rights and obligations. This principle must be maintained particularly as regards the application of sections 5 (Determination of conformity to technical regulations and to standards by the institutions of the central government) and 6 (Determination of conformity to technical regulations and to standards by local public institutions and non-government bodies), and more specifically as regards the acceptance of test results and certificates or marks of conformity issued by responsible bodies within the territorial competence of other members.

The Community therefore states that such acceptance can only be given provided that it has obtained effective and mutually advantageous reciprocity following discussions with the partners concerned. Likewise, as regards access to the certification systems (sections 7, 8 and 9 of the Code) of suppliers of products originating in the territory of other Parties, the Community reserves the right to enter into a discussion with possible partners to arrive at mutually satisfactory arrangements ensuring that the suppliers of the various parties are really able to fulfil the obligations imposed by the certification systems and that their products may therefore have access to the territory of the various participants in these systems under conditions of total reciprocity."
ACCORD RELATIF AUX MARCHES PUBLICS

ENVOI DE COPIES CERTIFIÉES CONFORMES


Olivier Long
Directeur général
AGREEMENT ON GOVERNMENT PROCUREMENT

ACCORD RELATIF AUX MARCHÉS PUBLIQUES

ACUERDO SOBRE COMPRAS DEL SECTOR PÚBLICO

GENERAL AGREEMENT ON TARIFFS AND TRADE

ACCORD GENERAL SUR LES TARIFS DOUANIERS ET LE COMMERCE

ACUERDO GENERAL SOBRE ARANCELES ADUANEROS Y COMERCIO

12 April 1979
Geneva
NOTE

The Annexes to this Agreement, which contain lists of purchasing entities (1) to which the provisions of the Agreement will apply, and the lists of publications referred to in Article V, paragraphs 3 and 6, and in Article VI, paragraph 1 are not reproduced here. They may be found annexed to the Certified Version of the Agreement (GLI/272) a copy of which is available in the Secretariat of the Council.

(1) The following countries have deposited such lists of purchasing entities: Austria, E.E.C. and its Member States, Finland, Hong-Kong, India, Jamaica, Japan, Nigeria, Norway, Sweden, Switzerland, United States
# AGREEMENT ON GOVERNMENT PROCUREMENT

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AGREEMENT ON GOVERNMENT PROCUREMENT

PREAMBLE

Parties to this Agreement (hereinafter referred to as "Parties"),

Considering that Ministers agreed in the Tokyo Declaration of 14 September 1973 that comprehensive Multilateral Trade Negotiations in the framework of the General Agreement on Tariffs and Trade (hereinafter referred to as "General Agreement" or "GATT") should aim, inter alia, to reduce or eliminate non-tariff measures or, where this is not appropriate, their trade restricting or distorting effects, and to bring such measures under more effective international discipline;

Considering that Ministers also agreed that negotiations should aim to secure additional benefits for the international trade of developing countries, and recognized the importance of the application of differential measures in ways which will provide special and more favourable treatment for them where this is feasible and appropriate;

Recognizing that in order to achieve their economic and social objectives to implement programmes and policies of economic development aimed at raising the standard of living of their people, taking into account their balance-of-payments position, developing countries may need to adopt agreed differential measures;

Considering that Ministers in the Tokyo Declaration recognized that the particular situation and problems of the least developed among the developing countries shall be given special attention and stressed the need to ensure that these countries receive special treatment in the context of any general or specific measures taken in favour of the developing countries during the negotiations;

Recognizing the need to establish an agreed international framework of rights and obligations with respect to laws, regulations, procedures and practices regarding government procurement with a view to achieving greater liberalization and expansion of world trade and improving the international framework for the conduct of world trade;

Recognizing that laws, regulations, procedures and practices regarding government procurement should not be prepared, adopted or applied to foreign or domestic products and to foreign or domestic suppliers so as to afford protection to domestic products or suppliers and should not discriminate among foreign products or suppliers;

Recognizing that it is desirable to provide transparency of laws, regulations, procedures and practices regarding government procurement;

Recognizing the need to establish international procedures on notification, consultation, surveillance and dispute settlement with a view to ensuring a fair, prompt and effective enforcement of the international provisions on
government procurement and to maintain the balance of rights and obligations at
the highest possible level;

Hereby agree as follows:

Article I
Scope and Coverage

1. This Agreement applies to:

(a) any law, regulation, procedure and practice regarding the procurement
of products by the entities subject to this Agreement. This includes
services incidental to the supply of products if the value of these
incidental services does not exceed that of the products themselves,
but not service contracts per se;

(b) any procurement contract of a value of SDR 150,000 or more. No
procurement requirement shall be divided with the intent of reducing
the value of the resulting contracts below SDR 150,000. If an
individual requirement for the procurement of a product or products of
the same type results in the award of more than one contract or in
contracts being awarded in separate parts, the value of these recurring
contracts in the twelve months subsequent to the initial contract shall
be the basis for the application of this Agreement;

(c) procurement by the entities under the direct or substantial control
of Parties and other designated entities, with respect to their
procurement procedures and practices. Until the review and further
negotiations referred to in the Final Provisions, the coverage of this
Agreement is specified by the lists of entities, and to the extent
that rectifications, modifications or amendments may have been made,
their successor entities, in Annex I.

2. The Parties shall inform their entities not covered by this Agreement and
the regional and local governments and authorities within their territories of
the objectives, principles and rules of this Agreement, in particular the rules
on national treatment and non-discrimination, and draw their attention to the
overall benefits of liberalization of government procurement.

1Throughout this Agreement, the word entities is understood to include
agencies.

2For contracts below the threshold, the Parties shall consider, in
accordance with paragraph 6 of Article IX, the application in whole or in part
of this Agreement. In particular, they shall review the procurement practices
and procedures utilized and the application of non-discrimination and
transparency for such contracts in connexion with the possible inclusion of
contracts below the threshold in this Agreement.
Article II

National Treatment and Non-Discrimination

1. With respect to all laws, regulations, procedures and practices regarding government procurement covered by this Agreement, the Parties shall provide immediately and unconditionally to the products and suppliers of other Parties offering products originating within the customs territories (including free zones) of the Parties, treatment no less favourable than:

(a) that accorded to domestic products and suppliers; and

(b) that accorded to products and suppliers of any other Party.

2. The provisions of paragraph 1 shall not apply to customs duties and charges of any kind imposed on or in connexion with importation, the method of levying such duties and charges, and other import regulations and formalities.

3. The Parties shall not apply rules of origin to products imported for purposes of government procurement covered by this Agreement from other Parties, which are different from the rules of origin applied in the normal course of trade and at the time of importation to imports of the same products from the same Parties.

Article III

Special and Differential Treatment for Developing Countries

Objectives

1. The Parties shall, in the implementation and administration of this Agreement, through the provisions set out in this Article, duly take into account the development, financial and trade needs of developing countries, in particular the least-developed countries, in their need to:

(a) safeguard their balance-of-payments position and ensure a level of reserves adequate for the implementation of programmes of economic development;

(b) promote the establishment or development of domestic industries including the development of small-scale and cottage industries in rural or backward areas; and economic development of other sectors of the economy;

(c) support industrial units so long as they are wholly or substantially dependent on government procurement;

(d) encourage their economic development through regional or global arrangements among developing countries presented to the CONTRACTING PARTIES to the GATT and not disapproved by them.
2. Consistently with the provisions of this Agreement, the Parties shall, in the preparation and application of laws, regulations and procedures affecting government procurement, facilitate increased imports from developing countries, bearing in mind the special problems of the least-developed countries and of those countries at low stages of economic development.

Coverage

3. With a view to ensuring that developing countries are able to adhere to this Agreement on terms consistent with their development, financial and trade needs, the objectives listed in paragraph 1 above shall be duly taken into account in the course of the negotiations with respect to the lists of entities of developing countries to be covered by the provisions of this Agreement. Developed countries, in the preparation of their lists of entities to be covered by the provisions of this Agreement shall endeavour to include entities purchasing products of export interest to developing countries.

Agreed exclusions

4. Developing countries may negotiate with other participants in the negotiation of this Agreement mutually acceptable exclusions from the rules on national treatment with respect to certain entities or products that are included in their lists of entities having regard to the particular circumstances of each case. In such negotiations, the considerations mentioned in paragraph 1(a)-(c) above shall be duly taken into account. Developing countries participating in regional or global arrangements among developing countries referred to in paragraph 1(d) above, may also negotiate exclusions to their lists, having regard to the particular circumstances of each case, taking into account, inter alia, the provisions on government procurement provided for in the regional or global arrangements concerned and taking into account, in particular, products which may be subject to common industrial development programmes.

5. After entry into force of this Agreement, the developing country Parties may modify their lists of entities in accordance with the provisions for modification of such lists contained in paragraph 5 of Article IX of this Agreement, having regard to their development, financial and trade needs, or may request the Committee to grant exclusions from the rules on national treatment for certain entities or products that are included in their lists of entities, having regard to the particular circumstances of each case and taking duly into account the provisions of paragraph 1(a)-(c) above. The developing country Parties may also request, after entry into force of this Agreement, the Committee to grant exclusions for certain entities or products that are included in their lists in the light of their participation in regional or global arrangements among developing countries, having regard to the particular circumstances of each case and taking duly into account the provisions of paragraph 1(d) above. Each request to the Committee by a developing country Party relating to modification of a list shall be accompanied by documentation relevant to the request or by such information as may be necessary for consideration of the matter.
6. Paragraphs 4 and 5 above shall apply mutatis mutandis to developing countries acceding to this Agreement after its entry into force.

7. Such agreed exclusions as mentioned in paragraphs 4, 5 and 6 above shall be subject to review in accordance with the provisions of paragraph 13 of this Article.

Technical assistance for developing country Parties

8. Developed country Parties shall, upon request, provide all technical assistance which they may deem appropriate to developing country Parties in resolving their problems in the field of government procurement.

9. This assistance which shall be provided on the basis of non-discrimination among the developing country Parties shall relate, inter alia, to:

- the solution of particular technical problems relating to the award of a specific contract;

- any other problem which the Party making the request and another Party agree to deal with in the context of this assistance.

Information centres

10. The developed country Parties shall establish, individually or jointly, information centres to respond to reasonable requests from developing country Parties for information relating to, inter alia, laws, regulations, procedures and practices regarding government procurement, notices about proposed purchases which have been published, addresses of the entities covered by this Agreement, and the nature and volume of products purchased or to be purchased, including available information about future tenders. The Committee may also set up an information centre.

Special treatment for least-developed countries

11. Having regard to paragraph 6 of the Tokyo Declaration, special treatment shall be granted to the least-developed country Parties and to the suppliers in those countries with respect to products originating in those countries, in the context of any general or specific measures in favour of the developing country Parties. The Parties may also grant the benefits of this Agreement to suppliers in the least-developed countries which are not Parties, with respect to products originating in those countries.

12. Developed country Parties shall, upon request, provide assistance which they may deem appropriate to potential tenderers in the least-developed countries in submitting their tenders and selecting the products which are likely to be of interest to entities of developed countries as well as to suppliers in the least-developed countries and likewise assist them to comply with technical regulations and standards relating to products which are the subject of the proposed purchase.
Review

13. The Committee shall review annually the operation and effectiveness of this Article and after each three years of its operation on the basis of reports to be submitted by the Parties shall carry out a major review in order to evaluate its effects. As part of the three-yearly reviews and with a view to achieving the maximum implementation of the provisions of this Agreement, including in particular Article II, and having regard to the development, financial and trade situation of the developing countries concerned, the Committee shall examine whether exclusions provided for in accordance with the provisions of paragraphs 4 to 6 of this Article shall be modified or extended.

14. In the course of further rounds of negotiations in accordance with the provisions of Article IX, paragraph 6, the developing country Parties shall give consideration to the possibility of enlarging their lists of entities having regard to their economic, financial and trade situation.

Article IV

Technical Specifications

1. Technical specifications laying down the characteristics of the products to be purchased such as quality, performance, safety and dimensions, testing and test methods, symbols, terminology, packaging, marking and labelling, and conformity certification requirements prescribed by procurement entities, shall not be prepared, adopted or applied with a view to creating obstacles to international trade nor have the effect of creating unnecessary obstacles to international trade.

2. Any technical specification prescribed by procurement entities shall, where appropriate:

(a) be in terms of performance rather than design; and

(b) be based on international standards, national technical regulations, or recognized national standards.

3. There shall be no requirement or reference to a particular trade mark or name, patent, design or type, specific origin or producer unless there is no sufficiently precise or intelligible way of describing the procurement requirements and provided that words such as "or equivalent" are included in the tenders.
Article V

Tendering Procedures

1. The Parties shall ensure that the tendering procedures of their entities are consistent with the provisions below. Open tendering procedures, for the purposes of this Agreement, are those procedures under which all interested suppliers may submit a tender. Selective tendering procedures, for the purposes of this Agreement, are those procedures under which, consistent with paragraph 7 and other relevant provisions of this Article, those suppliers invited to do so by the entity may submit a tender. Single tendering procedures, for the purposes of this Agreement, are those procedures where the entity contacts suppliers individually, only under the conditions specified in paragraph 15 below.

Qualification of suppliers

2. Entities, in the process of qualifying suppliers, shall not discriminate among foreign suppliers or between domestic and foreign suppliers. Qualification procedures shall be consistent with the following:

(a) any conditions for participation in tendering procedures shall be published in adequate time to enable interested suppliers to initiate and, to the extent that it is compatible with efficient operation of the procurement process, complete the qualification procedures;

(b) any conditions for participation required from suppliers, including financial guarantees, technical qualifications and information necessary for establishing the financial, commercial and technical capacity of suppliers, as well as the verification of qualifications, shall be no less favourable to foreign suppliers than to domestic suppliers and shall not discriminate among foreign suppliers;

(c) the process of, and the time required for, qualifying suppliers shall not be used in order to keep foreign suppliers off a suppliers' list or from being considered for a particular proposed purchase. Entities shall recognize as qualified suppliers such domestic or foreign suppliers who meet the conditions for participation in a particular proposed purchase. Suppliers requesting to participate in a particular proposed purchase who may not yet be qualified shall also be considered, provided there is sufficient time to complete the qualification procedure;

(d) entities maintaining permanent lists of qualified suppliers shall ensure that all qualified suppliers so requesting are included in the lists within a reasonably short time;
(e) any supplier having requested to become a qualified supplier shall be advised by the entities concerned of the decision in this regard. Qualified suppliers included on permanent lists by entities shall also be notified of the termination of any such lists or of their removal from them;

(f) nothing in sub-paragraphs (a) to (e) above shall preclude the exclusion of any supplier on grounds such as bankruptcy or false declarations, provided that such an action is consistent with the national treatment and non-discrimination provisions of this Agreement.

Notice of proposed purchase and tender documentation

3. Entities shall publish a notice of each proposed purchase in the appropriate publication listed in Annex II. Such notice shall constitute an invitation to participate in either open or selective tendering procedures.

4. Each notice of proposed purchase shall contain the following information:

(a) the nature and quantity of the products to be supplied, or envisaged to be purchased in the case of contracts of a recurring nature;

(b) whether the procedure is open or selective;

(c) any delivery date;

(d) the address and final date for submitting an application to be invited to tender or for qualifying for the suppliers' lists, or for receiving tenders, as well as the language or languages in which they must be submitted;

(e) the address of the entity awarding the contract and providing any information necessary for obtaining specifications and other documents;

(f) any economic and technical requirements, financial guarantees and information required from suppliers;

(g) the amount and terms of payment of any sum payable for the tender documentation.

The entity shall publish in one of the official languages of the GATT a summary of the notice of proposed purchase containing at least the following:

(i) subject matter of the contract;

(ii) time-limits set for the submission of tenders or an application to be invited to tender; and

(iii) addresses from which documents relating to the contracts may be requested.
5. To ensure optimum effective international competition under selective tendering procedures, entities shall, for each proposed purchase, invite tenders from the maximum number of domestic and foreign suppliers, consistent with the efficient operation of the procurement system. They shall select the suppliers to participate in the procedure in a fair and non-discriminatory manner.

6. (a) In the case of selective tendering procedures, entities maintaining permanent lists of qualified suppliers shall publish annually in one of the publications listed in Annex III, a notice of the following:

(i) the enumeration of the lists maintained, including their headings, in relation to the products or categories of products to be purchased through the lists;

(ii) the conditions to be filled by potential suppliers in view of their inscription on those lists and the methods according to which each of those conditions be verified by the entity concerned;

(iii) the period of validity of the lists, and the formalities for their renewal.

(b) Entities maintaining permanent lists of qualified suppliers may select suppliers to be invited to tender from among those listed. Any selection shall allow for equitable opportunities for suppliers on the lists.

(c) If, after publication of the notice under paragraph 3 above, a supplier not yet qualified requests to participate in a particular tender, the entity shall promptly start the procedure of qualification.

7. Suppliers requesting to participate in a particular proposed purchase shall be permitted to submit a tender and be considered provided, in the case of those not yet qualified, there is sufficient time to complete the qualification procedure under paragraphs 2-6 of this Article. The number of additional suppliers permitted to participate shall be limited only by the efficient operation of the procurement system.

8. If after publication of a notice of a proposed purchase but before the time set for opening or receipt of tenders as specified in the notices or the tender documentation, it becomes necessary to amend or re-issue the notice, the amendment or the re-issued notice shall be given the same circulation as the original documents upon which the amendment is based. Any significant information given to one supplier with respect to a particular proposed purchase shall be given simultaneously to all other suppliers concerned in adequate time to permit the suppliers to consider such information and to respond to it.
9. (a) Any prescribed time-limit shall be adequate to allow foreign as well as domestic suppliers to prepare and submit tenders before the closing of the tendering procedures. In determining any such time-limit, entities shall, consistent with their own reasonable needs, take into account such factors as the complexity of the proposed purchase, the extent of sub-contracting anticipated, and the normal time for transmitting tenders by mail from foreign as well as domestic points.

(b) Consistent with the entity's own reasonable needs, any delivery date shall take into account the normal time required for the transport of goods from the different points of supply.

10. (a) In open procedures, the period for the receipt of tenders shall in no case be less than thirty days from the date of publication referred to in paragraph 3 of this Article.

(b) In selective procedures not involving the use of a permanent list of qualified suppliers, the period for submitting an application to be invited to tender shall in no case be less than thirty days from the date of publication referred to in paragraph 3; the period for receipt of tenders shall in no case be less than thirty days from the date of issuance of the invitation to tender.

(c) In selective procedures involving the use of a permanent list of qualified suppliers, the period for receipt of tenders shall in no case be less than thirty days from the date of the initial issuance of invitations to tender. If the date of initial issuance of invitations to tender does not coincide with the date of the publication referred to in paragraph 3, there shall in no case be less than thirty days between those two dates.

(d) The periods referred to in (a), (b) and (c) above may be reduced either where a state of urgency duly substantiated by the entity renders impracticable the periods in question or in the case of the second or subsequent publications dealing with contracts of a recurring nature within the meaning of paragraph 4 of this Article.

11. If, in tendering procedures, an entity allows tenders to be submitted in several languages, one of those languages shall be one of the official languages of the GATT.

12. Tender documentation provided to suppliers shall contain all information necessary to permit them to submit responsive tenders, including the following:

(a) the address of the entity to which tenders should be sent;

(b) the address where requests for supplementary information should be sent;
(c) the language or languages in which tenders and tendering documents must be submitted;

(d) the closing date and time for receipt of tenders and the length of time during which any tender should be open for acceptance;

(e) the persons authorized to be present at the opening of tenders and the date, time and place of this opening;

(f) any economic and technical requirement, financial guarantees and information or documents required from suppliers;

(g) a complete description of the products required or of any requirements including technical specifications, conformity certification to be fulfilled by the products, necessary plans, drawings and instructional materials;

(h) the criteria for awarding the contract, including any factors other than price that are to be considered in the evaluation of tenders and the cost elements to be included in evaluating tender prices, such as transport, insurance and inspection costs, and in the case of foreign products, customs duties and other import charges, taxes and currency of payment;

(i) the terms of payment;

(j) any other terms or conditions.

13. (a) In open procedures, entities shall forward the tender documentation at the request of any supplier participating in the procedure, and shall reply promptly to any reasonable request for explanations relating thereto.

(b) In selective procedures, entities shall forward the tender documentation at the request of any supplier requesting to participate and shall reply promptly to any reasonable request for explanations relating thereto.

(c) Entities shall reply promptly to any reasonable request for relevant information submitted by a supplier participating in the tendering procedure, on condition that such information does not give that supplier an advantage over its competitors in the procedure for the award of the contract.

Submission, receipt and opening of tenders and awarding of contracts

14. The submission, receipt and opening of tenders and awarding of contracts shall be consistent with the following:

(a) tenders shall normally be submitted in writing directly or by mail. If tenders by telex, telegram or telecopy are permitted, the tender made thereby must include all the information necessary for the
evaluation of the tender, in particular the definitive price proposed by the tenderer and a statement that the tenderer agrees to all the terms, conditions and provisions of the invitation to tender. The tender must be confirmed promptly by letter or by the despatch of a signed copy of the telex, telegram or telecopy. Tenders presented by telephone shall not be permitted. The content of the telex, telegram or telecopy shall prevail where there is a difference of conflict between that content and any documentation received after the time-limit; requests to participate in selective tendering procedures may be submitted by telex, telegram or telecopy;

(b) the opportunities that may be given to tenderers to correct unintentional errors between the opening of tenders and the awarding of the contract shall not be permitted to give rise to any discriminatory practice;

(c) a supplier shall not be penalized if a tender is received in the office designated in the tender documentation after the time specified because of delay due solely to mishandling on the part of the entity. Tenders may also be considered in other exceptional circumstances if the procedures of the entity concerned so provide;

(d) all tenders solicited under open and selective procedures by entities shall be received and opened under procedures and conditions guaranteeing the regularity of the openings as well as the availability of information from the openings. The receipt and opening of tenders shall also be consistent with the national treatment and non-discrimination provisions of this Agreement. To this effect, and in connexion with open procedures, entities shall establish provisions for the opening of tenders in the presence of either tenderers or their representatives, or an appropriate and impartial witness not connected with the procurement process. A report on the opening of tenders shall be drawn up in writing. This report shall remain with the entities concerned at the disposal of the government authorities responsible for the entity in order that it may be used if required under the procedures of Articles VI and VII of this Agreement;

(e) to be considered for award, a tender must, at the time of opening, conform to the essential requirements of the notices or tender documentation and be from suppliers which comply with the conditions for participation. If an entity has received a tender abnormally lower than other tenders submitted, it may enquire with the tenderer to ensure that it can comply with the conditions of participation and be capable of fulfilling the terms of the contract;
(f) unless in the public interest an entity decided not to issue the contract, the entity shall make the award to the tenderer who has been determined to be fully capable of undertaking the contract and whose tender, whether for domestic or foreign products, is either the lowest tender or the tender which in terms of the specific evaluation criteria set forth in the notices or tender documentation is determined to be the most advantageous;

(g) if it appears from evaluation that no one tender is obviously the most advantageous in terms of the specific evaluation criteria set forth in the notices or tender documentation, the entity shall, in any subsequent negotiations, give equal consideration and treatment to all tenders within the competitive range;

(h) entities should normally refrain from awarding contracts on the condition that the supplier provide offset procurement opportunities or similar conditions. In the limited number of cases where such requisites are part of a contract, Parties concerned shall limit the offset to a reasonable proportion within the contract value and shall not favour suppliers from one Party over suppliers from any other Party. Licensing of technology should not normally be used as a condition of award but instances where it is required should be as infrequent as possible and suppliers from one Party shall not be favoured over suppliers from any other Party.

Use of single tendering

15. The provisions of paragraphs 1-14 above governing open and selective tendering procedures need not apply in the following conditions, provided that single tendering is not used with a view to avoiding maximum possible competition or in a manner which would constitute a means of discrimination among foreign suppliers or protection to domestic producers:

(a) in the absence of tenders in response to an open or selective tender, or when the tenders submitted have been either collusive or do not conform to the essential requirements in the tender, or from suppliers who do not comply with the conditions for participation provided for in accordance with this Agreement, on condition, however, that the requirements of the initial tender are not substantially modified in the contract as awarded;

(b) when, for works of art or for reasons connected with protection of exclusive rights, such as patents or copyrights, the products can be supplied only by a particular supplier and no reasonable alternative or substitute exists;

(c) insofar as is strictly necessary when, for reasons of extreme urgency brought about by events unforeseeable by the entity, the products could not be obtained in time by means of open or selective tendering procedures;
(d) for additional deliveries by the original supplier which are intended either as parts replacement for existing supplies or installations, or as the extension of existing supplies or installations where a change of supplier would compel the entity to purchase equipment not meeting requirements of interchangeability with already existing equipment;

(e) when an entity purchases prototypes or a first product which are developed at its request in the course of, and for, a particular contract for research, experiment, study or original development. When such contracts have been fulfilled, subsequent purchases of products shall be subject to paragraphs 1-14 of this Article.\(^3\)

16. Entities shall prepare a report in writing on each contract awarded under the provisions of paragraph 15 of this Article. Each report shall contain the name of the purchasing entity, value and kind of goods purchased, country of origin, and a statement of the conditions in paragraph 15 of this Article which prevailed. This report shall remain with the entities concerned at the disposal of the government authorities responsible for the entity in order that it may be used if required under the procedures of Articles VI and VII of this Agreement.

**Article VI**

**Information and Review**

1. Any law, regulation, judicial decision, administrative ruling of general application, and any procedure (including standard contract clauses) regarding government procurement covered by this Agreement, shall be published promptly by the Parties in the appropriate publications listed in Annex IV and in such a manner as to enable other Parties and suppliers to become acquainted with them. The Parties shall be prepared, upon request, to explain to any other Party their government procurement procedures. Entities shall be prepared, upon request, to explain to any supplier from a country which is a Party to this Agreement their procurement practices and procedures.

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\(^3\)Original development of a first product may include limited production in order to incorporate the results of field testing and to demonstrate that the product is suitable for production in quantity to acceptable quality standards. It does not extend to quantity production to establish commercial viability or to recover research and development costs.
2. Entities shall, upon request by any supplier, promptly provide pertinent information concerning the reasons why that supplier's application to qualify for the suppliers' list was rejected, or why that supplier was not invited or admitted to tender.

3. Entities shall promptly, and in no case later than seven working days from the date of the award of a contract, inform the unsuccessful tenderers by written communication or publication that a contract has been awarded.

4. Upon request by an unsuccessful tenderer, the purchasing entity shall promptly provide that tenderer with pertinent information concerning the reasons why the tender was not selected, including information on the characteristics and the relative advantages of the tender selected, as well as the name of the winning tenderer.

5. Entities shall establish a contact point to provide additional information to any unsuccessful tenderer dissatisfied with the explanation for rejection of his tender or who may have further questions about the award of the contract. There shall also be procedures for the hearing and reviewing of complaints arising in connexion with any phase of the procurement process, so as to ensure that, to the greatest extent possible, disputes under this Agreement will be equitably and expeditiously resolved between the suppliers and the entities concerned.

6. The government of the unsuccessful tenderer, which is a Party to this Agreement, may seek, without prejudice to the provisions under Article VII, such additional information on the contract award as may be necessary to ensure that the purchase was made fairly and impartially. To this end, the purchasing government shall provide information on both the characteristics and relative advantages of the winning tender and the contract price. Normally this latter information may be disclosed by the government of the unsuccessful tenderer provided it exercises this right with discretion. In cases where release of this information would prejudice competition in future tenders this information shall not be disclosed except after consultation with and agreement of the Party which gave the information to the government of the unsuccessful tenderer.

7. Available information concerning individual contract awards shall be provided, upon a request, to any other Party.

8. Confidential information provided to any Party which would impede law enforcement or otherwise be contrary to the public interest or would prejudice the legitimate commercial interest of particular enterprises, public or private, or might prejudice fair competition between suppliers, shall not be revealed without formal authorization from the party providing the information.
9. The Parties shall collect and provide to the Committee on an annual basis statistics on their purchases. Such reports shall contain the following information with respect to contracts awarded by all procurement entities covered under this Agreement:

(a) global statistics on estimated value of contracts awarded, both above and below the threshold value;

(b) statistics on number and total value of contracts awarded above the threshold value, broken down by entities, categories of products and either nationality of the winning tenderer or country of origin of the product, according to a recognized trade or other appropriate classification system;

(c) statistics on the total number and value of contracts awarded under each of the cases of Article V, paragraph 15.

Article VII

Enforcement of Obligations

Institutions

1. There shall be established under this Agreement a Committee on Government Procurement (referred to in this Agreement as "the Committee") composed of representatives from each of the Parties. This Committee shall elect its own Chairman and shall meet as necessary but not less than once a year for the purpose of affording Parties the opportunity to consult on any matters relating to the operation of this Agreement or the furtherance of its objectives, and to carry out such other responsibilities as may be assigned to it by the Parties.

2. The Committee may establish ad hoc panels in the manner and for the purposes set out in paragraph 8 of this Article and working parties or other subsidiary bodies which shall carry out such functions as may be given to them by the Committee.

Consultations

3. Each Party shall afford sympathetic consideration to, and shall afford adequate opportunity for consultations regarding, representations made by another Party with respect to any matter affecting the operation of this Agreement.

4. If any Party considers that any benefit accruing to it, directly or indirectly, under this Agreement is being nullified or impaired, or that the achievement of any objective of this Agreement is being impeded, by another Party or Parties, it may, with a view to reaching a mutually satisfactory resolution of the matter, request in writing consultations with the Party or Parties in question. Each Party shall afford sympathetic consideration to any request from another Party for consultations. The Parties concerned shall initiate requested consultations promptly.
5. The Parties engaged in consultations on a particular matter affecting the operation of this Agreement shall provide information concerning the matter subject to the provisions of Article VI, paragraph 8, and attempt to conclude such consultations within a reasonably short period of time.

Dispute settlement

6. If no mutually satisfactory solution has been reached as a result of consultations under paragraph 4 between the Parties concerned, the Committee shall meet at the request of any party to the dispute within thirty days of receipt of such a request to investigate the matter, with a view to facilitating a mutually satisfactory solution.

7. If no mutually satisfactory solution has been reached after detailed examination by the Committee under paragraph 6 within three months, the Committee shall, at the request of any party to the dispute establish a panel to:

(a) examine the matter;

(b) consult regularly with the parties to the dispute and give full opportunity for them to develop a mutually satisfactory solution;

(c) make a statement concerning the facts of the matter as they relate to application of this Agreement and make such findings as will assist the Committee in making recommendations or giving rulings on the matter.

8. In order to facilitate the constitution of panels, the Chairman of the Committee shall maintain an informal indicative list of governmental officials experienced in the field of trade relations. This list may also include persons other than governmental officials. In this connexion, each Party shall be invited to indicate at the beginning of every year to the Chairman of the Committee the name(s) of the one or two persons whom the Parties would be willing to make available for such work. When a panel is established under paragraph 7, the Chairman, within seven days, shall propose to the parties to the dispute the composition of the panel consisting of three or five members and preferably government officials. The parties directly concerned shall react within seven working days to nominations of panel members by the Chairman and shall not oppose nominations except for compelling reasons.

Citizens of countries whose governments are parties to a dispute shall not be eligible for membership of the panel concerned with that dispute. Panel members shall serve in their individual capacities and not as governmental representatives nor as representatives of any organization. Governments or organizations shall therefore not give them instructions with regard to matters before a panel.
9. Each panel shall develop its own procedures. All Parties, having a substantial interest in the matter and having notified this to the Committee, shall have an opportunity to be heard. Each panel may consult with and seek information from any source it deems appropriate. Before a panel seeks such information from a source within the jurisdiction of a Party it shall inform the government of that Party. Any Party shall respond promptly and fully to any request by a panel for such information as the panel considers necessary and appropriate. Confidential information provided to the panel shall not be revealed without formal authorization from the government or person providing the information. Where such information is requested from the panel but release of such information by the panel is not authorized, a non-confidential summary of the information, authorized by the government or person providing the information, will be provided.

Where a mutually satisfactory solution to a dispute cannot be found or where the dispute relates to an interpretation of this Agreement, the panel should first submit the descriptive part of its report to the Parties concerned, and should subsequently submit to the parties to the dispute its conclusions, or an outline thereof, a reasonable period of time before they are circulated to the Committee. Where an interpretation of this Agreement is not involved and where a bilateral settlement of the matter has been found, the report of the panel may be confined to a brief description of the case and to reporting that a solution had been reached.

10. The time required by panels will vary with the particular case. Panels should aim to deliver their findings, and where appropriate, recommendations, to the Committee without undue delay, taking into account the obligation of the Committee to ensure prompt settlement in cases of urgency, normally within a period of four months from the date the panel was established.

Enforcement

11. After the examination is complete or after the report of a panel, working party or other subsidiary body is presented to the Committee, the Committee shall give the matter prompt consideration. With respect to these reports, the Committee shall take appropriate action normally within thirty days of receipt of the report unless extended by the Committee, including:

(a) a statement concerning the facts of the matter;

(b) recommendations to one or more Parties; and/or

(c) any other ruling which it deems appropriate.

Any recommendations by the Committee shall aim at the positive resolution of the matter on the basis of the operative provisions of this Agreement and its objectives set out in the Preamble.
12. If a Party to which recommendations are addressed considers itself unable to implement them, it should promptly furnish reasons in writing to the Committee. In that event, the Committee shall consider what further action may be appropriate.

13. The Committee shall keep under surveillance any matter on which it has made recommendations or given rulings.

**Balance of rights and obligations**

14. If the Committee's recommendations are not accepted by a party, or parties to the dispute, and if the Committee considers that the circumstances are serious enough to justify such action, it may authorize a Party or Parties to suspend in whole or in part, and for such time as may be necessary, the application of this Agreement to any other Party or Parties, as is determined to be appropriate in the circumstances.

**Article VIII**

**Exceptions to the Agreement**

1. Nothing in this Agreement shall be construed to prevent any Party from taking any action or not disclosing any information which it considers necessary for the protection of its essential security interests relating to the procurement of arms, ammunition or war materials, or to procurement indispensable for national security or for national defence purposes.

2. Subject to the requirement that such measures are not applied in a manner which would constitute a means of arbitrary or unjustifiable discrimination between countries where the same conditions prevail or a disguised restriction on international trade, nothing in this Agreement shall be construed to prevent any Party from imposing or enforcing measures necessary to protect public morals, order or safety, human, animal or plant life or health, intellectual property, or relating to the products of handicapped persons, of philanthropic institutions or of prison labour.

**Article IX**

**Final Provisions**

1. **Acceptance and accession**

   (a) This Agreement shall be open for acceptance by signature or otherwise, by governments contracting parties to the GATT and by the European Economic Community whose agreed lists of entities are contained in Annex I.
(b) Any government contracting party to the GATT not a Party to this Agreement may accede to it on terms to be agreed between that government and the Parties. Accession shall take place by the deposit with the Director-General to the CONTRACTING PARTIES to the GATT of an instrument of accession which states the terms so agreed.

(c) This Agreement shall be open for acceptance by signature or otherwise by governments having provisionally acceded to the GATT, on terms related to the effective application of rights and obligations under this Agreement, which take into account rights and obligations in the instruments providing for their provisional accession, and whose agreed lists of entities are contained in Annex I.

(d) This Agreement shall be open to accession by any other government on terms, related to the effective application of rights and obligations under this Agreement, to be agreed between that government and the Parties, by the deposit with the Director-General to the CONTRACTING PARTIES to the GATT of an instrument of accession which states the terms so agreed.

(e) In regard to acceptance, the provisions of Article XXVI:5(a) and (b) of the General Agreement would be applicable.

2. Reservations

Reservations may not be entered in respect of any of the provisions of this Agreement.

3. Entry into force

This Agreement shall enter into force on 1 January 1981 for the governments which have accepted or acceded to it by that date. For each other government, it shall enter into force on the thirtieth day following the date of its acceptance or accession to this Agreement.

4. National legislation

(a) Each government accepting or acceding to this Agreement shall ensure, not later than the date of entry into force of this Agreement for it, the conformity of its laws, regulations and administrative procedures, and the rules, procedures and practices applied by the entities contained in its list annexed hereto, with the provisions of this Agreement.

For the purpose of this Agreement, the term "government" is deemed to include the competent authorities of the European Economic Community.
(b) Each Party shall inform the Committee of any changes in its laws and regulations relevant to this Agreement and in the administration of such laws and regulations.

5. Rectifications or modifications

(a) Rectifications of a purely formal nature and minor amendments relating to Annexes I-IV to this Agreement shall be notified to the Committee and shall become effective provided there is no objection within thirty days to such rectifications or amendments.

(b) Any modifications to lists of entities other than those referred to in sub-paragraph (a) may be made only in exceptional circumstances. In such cases, a Party proposing to modify its list of entities shall notify the Chairman of the Committee who shall promptly convene a meeting of the Committee. The Parties shall consider the proposed modification and consequent compensatory adjustments, with a view to maintaining a comparable level of mutually agreed coverage provided in this Agreement prior to such modification. In the event of agreement not being reached on any modification taken or proposed, the matter may be pursued in accordance with the provisions contained in Article VII of this Agreement, taking into account the need to maintain the balance of rights and obligations at the highest possible level.

6. Reviews and negotiations

(a) The Committee shall review annually the implementation and operation of this Agreement taking into account the objectives thereof. The Committee shall annually inform the CONTRACTING PARTIES to the GATT of developments during the periods covered by such reviews.

(b) Not later than the end of the third year from the entry into force of this Agreement and periodically thereafter, the Parties thereto shall undertake further negotiations, with a view to broadening and improving this Agreement on the basis of mutual reciprocity, having regard to the provisions of Article III relating to developing countries. In this connexion, the Committee shall, at an early stage, explore the possibilities of expanding the coverage of this Agreement to include service contracts.

7. Amendments

The Parties may amend this Agreement having regard, inter alia, to the experience gained in its implementation. Such an amendment, once the Parties have concurred in accordance with the procedures established by the Committee, shall not come into force for any Party until it has been accepted by such Party.
8. **Withdrawal**

Any Party may withdraw from this Agreement. The withdrawal shall take effect upon the expiration of sixty days from the day on which written notice of withdrawal is received by the Director-General to the CONTRACTING PARTIES to the GATT. Any Party may upon such notification request an immediate meeting of the Committee.

9. **Non-application of this Agreement between particular Parties**

This Agreement shall not apply as between any two Parties if either of the Parties, at the time either accepts or accedes to this Agreement, does not consent to such application.

10. **Notes and Annexes**

The notes and annexes to this Agreement constitute an integral part thereof.

11. **Secretariat**

This Agreement shall be serviced by the GATT secretariat.

12. **Deposit**

This Agreement shall be deposited with the Director-General to the CONTRACTING PARTIES to the GATT, who shall promptly furnish to each Party and each contracting party to the GATT a certified copy thereof, of each rectification or modification thereto pursuant to paragraph 5 and of each amendment thereto pursuant to paragraph 7, and a notification of each acceptance thereof or accession thereto pursuant to paragraph 1 and of each withdrawal therefrom pursuant to paragraph 8, of this Article.

13. **Registration**

This Agreement shall be registered in accordance with the provisions of Article 102 of the Charter of the United Nations.

Done at Geneva this twelfth day of April nineteen hundred and seventy-nine in a single copy, in the English, French and Spanish languages, each text being authentic, except as otherwise specified with respect to the lists of entities annexed hereto.
NOTES

Article I, paragraph 1

Having regard to general policy considerations relating to tied aid, including the objective of developing countries with respect to the untying of such aid, this Agreement does not apply to procurement made in furtherance of tied aid to developing countries so long as it is practised by Parties.

Article V, paragraph 14(h)

Having regard to the general policy considerations of developing countries in relation to government procurement, it is noted that under the provisions of paragraph 14(h) of Article V, developing countries may require incorporation of domestic content, offset procurement, or transfer of technology as criteria for award of contracts. It is noted that suppliers from one Party shall not be favoured over suppliers from any other Party.
Letter from Viscount Davignon to Ambassador Strauss on possible extension of restrictive procurement practices in the U.S.A. and reserve by the European Community on its application of the Agreement on Government Procurement in this connexion

In conjunction with the agreement on government procurement and with reference to the discussions held between our delegations in the context of the multilateral trade negotiations, I have the honour to declare the following:

1. It has been one of the major objectives of the European Communities to eliminate the Buy American Act.

2. The European Communities have also been very concerned to avoid any possible extension of the Buy American Act or other restrictions by Congress acting on its own initiative or on that of the U.S. Administration. It had also been concerned to avoid any extension of Buy American type or other restrictions on procurement at state or local level.

3. Any such extension of trade restrictions on U.S. procurement practices would have a serious impact on the ability and willingness of the European Communities to undertake, or bring to a successful conclusion, negotiations with a view to broadening and improving the agreement on government procurement on the basis of mutual reciprocity referred to in part IX, para 6, of that agreement. Such restrictions would also be detrimental to the operation of the agreement by the European Communities.

4. In so far as the objectives and concerns set out in paras 1 and 2 have been met the European Communities will seek to avoid similar restrictions in its territory.

I would be grateful if you would acknowledge agreement to the above.
Letter from Ambassador Strauss to Viscount Davignon

This will acknowledge receipt of your July 17 note* containing a "Declaration of Interpretation of Agreement on Government Procurement".

We share the principal objective contained in your "Declaration" with regard to expanding coverage and regret the Commission was unable to make a larger coverage offer, thus reducing the level of coverage to a lower common denominator than we sought. In conjunction with the terms of the agreement and discussions held between our delegations in the context of the Multilateral Trade Negotiations, I offer the following comments concerning the intentions of the United States.

It has been the endeavor of the United States, from the outset of these procurement negotiations, to include within the scope of the Government Procurement Agreement, the maximum possible coverage.

The fundamental equation of the procurement negotiations is that those countries with visible discriminatory systems will eliminate such discrimination in return for the adoption of transparency by those countries maintaining more subtle forms of discrimination. For this reason, the United States is more than willing to include a maximum number of entities under the agreement coverage and to employ as low a threshold as possible, but only in those instances where full provisions of the agreement apply.

The United States will continue to seek and expand the coverage of this agreement through subsequent negotiation. In this connection, the United States Administration will seek to discourage any action that might prejudice the successful outcome of such negotiations. Furthermore, we will take those steps necessary to encourage expansion of agreement coverage and enlargement of membership to the agreement.

The United States has consistently opposed measures to further increase discriminatory government procurement practices. We believe that the existence of the Government Procurement Agreement will encourage opposition to possible future restrictive measures taken for the purposes of protecting domestic suppliers. We shall, as provided in the Government Procurement Agreement, maintain the position that for those purchases covered by the agreement, foreign bids from suppliers in countries which are signatories to the agreement must be handled on the same basis as domestic tenders.

My Government appreciates the concern expressed by the Commission with regard to the possible expansion of buy-national restrictions, and we share the concern of the Commission in regard to the possible detrimental effects of such action on achieving the objectives of the Government Procurement Agreement. We would hope that further expansion of this agreement will alleviate these concerns. Without the Government Procurement Agreement, the situation would certainly prove to be considerably more disconcerting.

*) Note: this appears to be an error. The reference is to the preceding letter dated 9 July.
With respect to paragraph 3 of your "Declaration", the United States will live up fully to the terms of the Government Procurement Agreement and expects no less from every other signatory to the agreement. We also look forward to discussing the European Communities' efforts to avoid any extension of restrictions on government procurement below the central government level.

Our Congress has acted with great restraint in the face of the imbalance between our relatively open procurement market and those restricted markets of the European Communities. They have viewed the agreement's commercial utility with some skepticism, particularly in light of the modest EC offer. Therefore, the Congress has proposed a series of reporting requirements to gain a clear picture of the operation of the agreement. We are confident that these reports will reveal significant progress toward opening procurement markets and bolster our mutual endeavors for expanded coverage. If the signatory group is unable to move towards genuine openness and reciprocity of access to comparable markets, we can anticipate that the political pressures here will increase to strike the balance through restrictions in the U.S. market.

We look forward to working together to our mutual benefit by increasing commercial opportunities in the Government Procurement area.
Letter from Sir Roy Denman, Director General at the Commission of the European Communities to Ambassador Grey

April 12, 1979

We have noticed with great regret your insistence on retaining, in your list of entities for submission to Agreement on Government Procurement, a footnote exempting the Canadian Department of the Post Office from the provisions of Part IX para 5(b) should that Department cease to be a government department.

If the Community is to be able to maintain its offer of the Post Offices of the Member States it is essential that Canada do likewise and unconditionally.

Until the footnote in question disappears then we are obliged to reserve our position on Canada's offer notwithstanding signature of the procès-verbal today. We will also have to reserve our position on withdrawal by Canada of the Department of Transport pending examination of the implications of this withdrawal for overall balance and reciprocity.
Letter from Viscount Davignon to Ambassador Warren concerning the Canadian reservation to its list of entities annexed to the Agreement on Government Procurement (possible withdrawal of the Canadian Department of the Post Office) and reservation by the Community of its position if the balance of advantages in this agreement should be modified by any such withdrawal.

Further to Sir Roy Denman's letter of April 12, 1979, we very much regret your insistence on retaining in your list of entities for submission to the Agreement on Government Procurement, a footnote stating that in the event of the Canadian Department of the Post Office becoming a Crown Corporation it would be withdrawn from coverage of the Agreement and that the Canadian Government would not pay compensation for that withdrawal.

The insertion of such a footnote constitutes, in effect, a unilateral reservation or derogation by Canada in regard to its list of entities. It therefore runs counter to the spirit in which these negotiations were conducted and in which we avoided, with success up to now, any such unilateral reserves. It also runs counter to the letter of part IX para 2 of the Agreement in which reservations are explicitly prohibited.

Therefore, if your position, as expressed in this footnote, is maintained I am obliged to warn you that we will strenuously pursue compensation before the Committee on Government Procurement in the event that Canada should eventually decide to withdraw its Postal Service from the scope of the Agreement.

I must also remind you that should you withdraw the Canadian Department of the Post Office before signature of the Agreement it will seriously hamper our efforts to keep the Post Office of our Member States
2. on the table. It took us two meetings of the Council of Ministers before the Member States agreed to offer their Post Offices and one of the main arguments we used was to the effect that Canada, Japan, the Nordics had included them.

Withdrawal would, furthermore, constitute a serious inroad on the understanding I thought we had reached, at our last Meeting in Brussels, concerning overall balance in the negotiations between the EEC and Canada. Such a withdrawal would create to Canada problems for the application of the Agreement.

I sincerely hope we can find a satisfactory solution to this problem. I am optimistic that we will, given the spirit of mutual cooperation and understanding that has characterised our relations throughout this negotiation.
Letter from Mr Luyten, Head of the Commission Delegation in Geneva, to
Ambassador Sawaki of Japan concerning the clarification of certain points
in the Japanese offer annexed to the Agreement on Government Procurement

The GATT Secretariat has distributed the Japanese Permanent Delegation's
letter dated 28 June 1979 (NA/LA/D.152) concerning the final version
of the Japanese list to be included in Annex I to the Code on Government
Procurement.

The Delegation of the European Communities takes the annexes to the above
letter to mean that certain contracts concluded by JNR and NTT will fall
within the scope of the Code from the time it enters into force, in other
words that all signatories to the Code will have the possibility of submitting
tenders for those contracts.

As regards JNR, your Delegation has supplied an indicative list of the
products purchased and has indicated that the volume of purchases might
amount to at least US $526 million (financial year 1976).

As far as NTT is concerned, only an approximate purchases figure —
US $600 million (financial year 1976) — has been indicated. The
clarifications given orally suggest that this amount might be increased
considerably and that the nature of the products offered might be specified
at the end of the negotiations now beginning in Washington on this question
between Japan and the United States. The Community records with
satisfaction the willingness of your Government to extend to all signatories
to the Code the Japanese offer in respect of these two entities (amounts
and products) at the close of the present discussions with the United States.

Please accept, Your Excellency, the assurance of my highest consideration.
Letter from Ambassador Sawaki, Permanent Representation of Japan to Mr Luyten, Head of the Commission Delegation in Geneva

Thank you for your letter of July 11, 1979, concerning the list of entities of Japan to be included in the Annex I of the Agreement on Government Procurement.

With regard to Japan's list, I would like to state that, in our view, the list, containing all the Ministries and Agencies of the central government without any exception, has a wider entity coverage than that of the European Community.

In addition to the Ministries and Agencies of the central government, Japan included in the list the Japanese National Railways (JNR) and the Nippon Telegraph and Telephone Public Corporation (NTT) with a view to maximizing the package in the field of government procurement, despite the fact that the European Community and other major negotiating partners do not offer public transportation and telecommunications sectors. The product coverage of JNR and NTT has been already indicated and the amount of purchases of the products is $420 million (FY 1977) for JNR and $600 million (FY 1977) for NTT respectively. Furthermore, Japan is examining the possibility to expand the product coverage of the two entities on the basis of reciprocity.

In view of the above, we would like to discuss with the European Community how to realise the reciprocity in the government procurement field in general as well as in public transportation and telecommunications sectors.

Please accept, Sir, the assurances of my highest consideration.

Olivier Long
Directeur général
AGREEMENT ON TRADE IN CIVIL AIRCRAFT

ACCORD RELATIF AU COMMERCE DES AERONEFS CIVILS

GENERAL AGREEMENT ON TARIFFS AND TRADE

ACCORD GENERAL SUR LES TARIFS DOUANIERS
ET LE COMMERCE

12 April 1979
Geneva
AGREEMENT ON TRADE IN CIVIL AIRCRAFT

PREAMBLE

Signatories to the Agreement on Trade in Civil Aircraft, hereinafter referred to as "this Agreement";

Noting that Ministers on 12–14 September 1973 agreed the Tokyo Round of Multilateral Trade Negotiations should achieve the expansion and ever-greater liberalization of world trade through, inter alia, the progressive dismantling of obstacles to trade and the improvement of the international framework for the conduct of world trade;

Desiring to achieve maximum freedom of world trade in civil aircraft, parts and related equipment, including elimination of duties, and to the fullest extent possible, the reduction or elimination of trade restricting or distorting effects;

Desiring to encourage the continued technological development of the aeronautical industry on a world-wide basis;

Desiring to provide fair and equal competitive opportunities for their civil aircraft activities and for their producers to participate in the expansion of the world civil aircraft market;

Being mindful of the importance in the civil aircraft sector of their overall mutual economic and trade interests;

Recognizing that many Signatories view the aircraft sector as a particularly important component of economic and industrial policy;

Seeking to eliminate adverse effects on trade in civil aircraft resulting from governmental support in civil aircraft development, production, and marketing while recognizing that such governmental support, of itself, would not be deemed a distortion of trade;

Desiring that their civil aircraft activities operate on a commercially competitive basis, and recognizing that government–industry relationships differ widely among them;

Recognizing their obligations and rights under the General Agreement on Tariffs and Trade, hereinafter referred to as "the GATT", and under other multilateral agreements negotiated under the auspices of the GATT;

1 The term "Signatories" is hereinafter used to mean Parties to this Agreement.
Recognizing the need to provide for international notification, consultation, surveillance and dispute settlement procedures with a view to ensuring a fair, prompt and effective enforcement of the provisions of this Agreement and to maintain the balance of rights and obligations among them;

Desiring to establish an international framework governing conduct of trade in civil aircraft;

Hereby agree as follows:

Article 1 Product Coverage

1.1 This Agreement applies to the following products:

(a) all civil aircraft,
(b) all civil aircraft engines and their parts and components,
(c) all other parts, components, and sub-assemblies of civil aircraft,
(d) all ground flight simulators and their parts and components,

whether used as original or replacement equipment in the manufacture, repair, maintenance, rebuilding, modification or conversion of civil aircraft.

1.2 For the purposes of this Agreement "civil aircraft" means (a) all aircraft other than military aircraft and (b) all other products set out in Article 1.1 above.

Article 2 Customs Duties and Other Charges

2.1 Signatories agree:

2.1.1 to eliminate by 1 January 1980, or by the date of entry into force of this Agreement, all customs duties and other charges¹ of any kind levied on, or in connexion with, the importation of products, classified for customs purposes under their respective tariff headings listed in the Annex, if such products are for use in a civil aircraft and incorporation therein, in the course of its manufacture, repair, maintenance, rebuilding, modification or conversion;

2.1.2 to eliminate by 1 January 1980, or by the date of entry into force of this Agreement, all customs duties and other charges¹ of any kind levied on repairs on civil aircraft;

¹"Other charges" shall have the same meaning as in Article II of the GATT.
2.1.3 to incorporate in their respective GATT Schedules by 1 January 1980, or by the date of entry into force of this Agreement, duty-free or duty-exempt treatment for all products covered by Article 2.1.1 above and for all repairs covered by Article 2.1.2 above.

2.2. Each Signatory shall: (a) adopt or adapt an end-use system of customs administration to give effect to its obligations under Article 2.1 above; (b) ensure that its end-use system provides duty-free or duty-exempt treatment that is comparable to the treatment provided by other Signatories and is not an impediment to trade; and (c) inform other Signatories of its procedures for administering the end-use system.

Article 3 Technical Barriers to Trade

3.1 Signatories note that the provisions of the Agreement on Technical Barriers to Trade apply to trade in civil aircraft. In addition, Signatories agree that civil aircraft certification requirements and specifications on operating and maintenance procedures shall be governed, as between Signatories, by the provisions of the Agreement on Technical Barriers to Trade.

Article 4 Government-Directed Procurement, Mandatory Sub-Contracts and Inducements

4.1 Purchasers of civil aircraft should be free to select suppliers on the basis of commercial and technological factors.

4.2 Signatories shall not require airlines, aircraft manufacturers, or other entities engaged in the purchase of civil aircraft, nor exert unreasonable pressure on them, to procure civil aircraft from any particular source, which would create discrimination against suppliers from any Signatory.

4.3 Signatories agree that the purchase of products covered by this Agreement should be made only on a competitive price, quality and delivery basis. In conjunction with the approval or awarding of procurement contracts for products covered by this Agreement a Signatory may, however, require that its qualified firms be provided with access to business opportunities on a competitive basis and on terms no less favourable than those available to the qualified firms of other Signatories.¹

¹Use of the phrase "access to business opportunities ... on terms no less favourable ..." does not mean that the amount of contracts awarded to the qualified firms of one Signatory entitles the qualified firms of other Signatories to contracts of a similar amount.
4.4 Signatories agree to avoid attaching inducements of any kind to the sale or purchase of civil aircraft from any particular source which would create discrimination against suppliers from any Signatory.

Article 5 Trade Restrictions

5.1 Signatories shall not apply quantitative restrictions (import quotas) or import licensing requirements to restrict imports of civil aircraft in a manner inconsistent with applicable provisions of the GATT. This does not preclude import monitoring or licensing systems consistent with the GATT.

5.2 Signatories shall not apply quantitative restrictions or export licensing or other similar requirements to restrict, for commercial or competitive reasons, exports of civil aircraft to other Signatories in a manner inconsistent with applicable provisions of the GATT.

Article 6 Government Support, Export Credits, and Aircraft Marketing

6.1 Signatories note that the provisions of the Agreement on Interpretation and Application of Articles VI, XVI and XXIII of the General Agreement on Tariffs and Trade (Agreement on Subsidies and Countervailing Measures) apply to trade in civil aircraft. They affirm that in their participation in, or support of, civil aircraft programmes they shall seek to avoid adverse effects on trade in civil aircraft in the sense of Articles 8.3 and 8.4 of the Agreement on Subsidies and Countervailing Measures. They also shall take into account the special factors which apply in the aircraft sector, in particular the widespread governmental support in this area, their international economic interests, and the desire of producers of all Signatories to participate in the expansion of the world civil aircraft market.

6.2 Signatories agree that pricing of civil aircraft should be based on a reasonable expectation of recoupment of all costs, including non-recurring programme costs, identifiable and pro-rated costs of military research and development on aircraft, components, and systems that are subsequently applied to the production of such civil aircraft, average production costs, and financial costs.

Article 7 Regional and Local Governments

7.1 In addition to their other obligations under this Agreement, Signatories agree not to require or encourage, directly or indirectly, regional and local governments and authorities, non-governmental bodies, and other bodies to take action inconsistent with provisions of this Agreement.
Article 8 Surveillance, Review, Consultation, and Dispute Settlement

8.1 There shall be established a Committee on Trade in Civil Aircraft (hereinafter referred to as "the Committee") composed of representatives of all Signatories. The Committee shall elect its own Chairman. It shall meet as necessary, but not less than once a year, for the purpose of affording Signatories the opportunity to consult on any matters relating to the operation of this Agreement, including developments in the civil aircraft industry, to determine whether amendments are required to ensure continuance of free and undistorted trade, to examine any matter for which it has not been possible to find a satisfactory solution through bilateral consultations, and to carry out such responsibilities as are assigned to it under this Agreement, or by the Signatories.

8.2 The Committee shall review annually the implementation and operation of this Agreement taking into account the objectives thereof. The Committee shall annually inform the CONTRACTING PARTIES to the GATT of developments during the period covered by such review.

8.3 Not later than the end of the third year from the entry into force of this Agreement and periodically thereafter, Signatories shall undertake further negotiations, with a view to broadening and improving this Agreement on the basis of mutual reciprocity.

8.4 The Committee may establish such subsidiary bodies as may be appropriate to keep under regular review the application of this Agreement to ensure a continuing balance of mutual advantages. In particular, it shall establish an appropriate subsidiary body in order to ensure a continuing balance of mutual advantages, reciprocity and equivalent results with regard to the implementation of the provisions of Article 2 above related to product coverage, the end-use systems, customs duties and other charges.

8.5 Each Signatory shall afford sympathetic consideration to and adequate opportunity for prompt consultation regarding representations made by another Signatory with respect to any matter affecting the operation of this Agreement.

8.6 Signatories recognize the desirability of consultations with other Signatories in the Committee in order to seek a mutually acceptable solution prior to the initiation of an investigation to determine the existence, degree and effect of any alleged subsidy. In those exceptional circumstances in which no consultations occur before such domestic procedures are initiated, Signatories shall notify the Committee immediately of initiation of such procedures and enter into simultaneous consultations to seek a mutually agreed solution that would obviate the need for countervailing measures.

8.7 Should a Signatory consider that its trade interests in civil aircraft manufacture, repair, maintenance, rebuilding, modification or conversion have been or are likely to be adversely affected by any action by
another Signatory, it may request review of the matter by the Committee. Upon such a request, the Committee shall convene within thirty days and shall review the matter as quickly as possible with a view to resolving the issues involved as promptly as possible and in particular prior to final resolution of these issues elsewhere. In this connexion the Committee may issue such rulings or recommendations as may be appropriate. Such review shall be without prejudice to the rights of Signatories under the GATT or under instruments multilaterally negotiated under the auspices of the GATT, as they affect trade in civil aircraft. For the purposes of aiding consideration of the issues involved, under the GATT and such instruments, the Committee may provide such technical assistance as may be appropriate.

8.8 Signatories agree that, with respect to any dispute related to a matter covered by this Agreement, but not covered by other instruments multilaterally negotiated under the auspices of the GATT, the provisions of Articles XXII and XXIII of the General Agreement and the provisions of the Understanding related to Notification, Consultation, Dispute Settlement and Surveillance shall be applied, mutatis mutandis, by the Signatories and the Committee for the purposes of seeking settlement of such dispute. These procedures shall also be applied for the settlement of any dispute related to a matter covered by this Agreement and by another instrument multilaterally negotiated under the auspices of the GATT, should the parties to the dispute so agree.

Article 9 Final Provisions

9.1 Acceptance and Accession

9.1.1 This Agreement shall be open for acceptance by signature or otherwise by governments contracting parties to the GATT and by the European Economic Community.

9.1.2 This Agreement shall be open for acceptance by signature or otherwise by governments having provisionally acceded to the GATT, on terms related to the effective application of rights and obligations under this Agreement, which take into account rights and obligations in the instruments providing for their provisional accession.

9.1.3 This Agreement shall be open to accession by any other government on terms, related to the effective application of rights and obligations under this Agreement, to be agreed between that government and the Signatories, by the deposit with the Director-General to the CONTRACTING PARTIES to the GATT of an instrument of accession which states the terms so agreed.

9.1.4 In regard to acceptance, the provisions of Article XXVI:5(a) and (b) of the General Agreement would be applicable.
9.2 Reservations

9.2.1 Reservations may not be entered in respect of any of the provisions of this Agreement without the consent of the other Signatories.

9.3 Entry into Force

9.3.1 This Agreement shall enter into force on 1 January 1980 for the governments which have accepted or acceded to it by that date. For each other government it shall enter into force on the thirtieth day following the date of its acceptance or accession to this Agreement.

9.4 National Legislation

9.4.1 Each government accepting or acceding to this Agreement shall ensure, not later than the date of entry into force of this Agreement for it, the conformity of its laws, regulations and administrative procedures with the provisions of this Agreement.

9.4.2 Each Signatory shall inform the Committee of any changes in its laws and regulations relevant to this Agreement and in the administration of such laws and regulations.

9.5 Amendments

9.5.1 The Signatories may amend this Agreement, having regard, inter alia, to the experience gained in its implementation. Such an amendment, once the Signatories have concurred in accordance with the procedures established by the Committee, shall not come into force for any Signatory until it has been accepted by such Signatory.

9.6 Withdrawal

9.6.1 Any Signatory may withdraw from this Agreement. The withdrawal shall take effect upon the expiration of twelve months from the day on which written notice of withdrawal is received by the Director-General to the CONTRACTING PARTIES to the GATT. Any Signatory may upon such notification request an immediate meeting of the Committee.

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For the purpose of this Agreement, the term "government" is deemed to include the competent authorities of the European Economic Community.
9.7 Non-Application of this Agreement Between Particular Signatories

9.7.1 This Agreement shall not apply as between any two Signatories if either of the Signatories, at the time either accepts or accedes to this Agreement, does not consent to such application.

9.8 Annex

9.8.1 The Annex to this Agreement forms an integral part thereof.

9.9 Secretariat

9.9.1 This Agreement shall be serviced by the GATT secretariat.

9.10 Deposit

9.10.1 This Agreement shall be deposited with the Director-General to the CONTRACTING PARTIES to the GATT who shall promptly furnish to each Signatory and each contracting party to the GATT a certified copy thereof and of each amendment thereto pursuant to Article 9.5 and a notification of each acceptance thereof or accession thereto pursuant to Article 9.1, or each withdrawal therefrom pursuant to Article 9.6.

9.11 Registration

9.11.1 This Agreement shall be registered in accordance with the provisions of Article 102 of the Charter of the United Nations.

Done at Geneva this twelfth day of April nineteen hundred and seventy-nine in a single copy, in the English and French languages, each text being authentic, except as otherwise specified with respect to the various lists in the Annex.
LIST OF ITEMS FROM THE CANADIAN TARIFF SCHEDULE

The following list is authentic only in the English and French languages.

44060-1 Civil aircraft; aircraft engines for use in civil aircraft
44061-1 Flight simulator systems; parts thereof, n.o.p.
44062-1 Hinges entitled to entry under tariff items 35200-1, 35400-1 and 36215-1;
Furniture entitled to entry under tariff items 35400-1, 44603-1, 61800-1 and 93907-1;
Castings entitled to entry under tariff items 35400-1 and 39000-1;
Forgings entitled to entry under tariff item 39200-1;
Sealed-beam lamps entitled to entry under tariff item 44504-1;
Microphones entitled to entry under tariff item 44536-1;
Magnesium castings entitled to entry under tariff item 71100-1;
Goods except parts, entitled to entry under tariff items 44028-1, 44300-1, 44514-1, 44538-1, 44540-1 and 46200-1;
Goods entitled to entry under tariff items 31200-1, 36800-1, 41417-1, 41417-2, 41505-1, 41505-2, 42400-1, 42405-1, 42700-1, 42701-1, 43005-1, 43300-1, 44053-1, 44057-1, 44059-1, 44500-1, 44502-1, 44516-1, 44524-1, 44532-1, 44533-1, 47100-1 and 61815-1;
All the foregoing when for use in the manufacture, repair, maintenance, rebuilding, modification or conversion of the goods enumerated in tariff item 44060-1.
LIST OF PRODUCTS BASED ON CCCN (CUSTOMS COOPERATION COUNCIL NOMENCLATURE) HEADINGS

The following list is authentic only in the English and French languages.

Note: For the purpose of this list, "ex" means that for each CCCN heading listed below, the corresponding named products (or groups of products) will be accorded duty-free or duty-exempt treatment, if they are for use in civil aircraft and incorporation therein.1

ex 39.07 Piping and tubing, of plastic materials, with attached fittings, suitable for conducting gases or liquids

ex 40.09 Piping and tubing, of unhardened vulcanized rubber, with attached fittings, suitable for conducting gases or liquids

ex 40.11 Pneumatic tyres, of rubber

ex 40.16 Piping and tubing of hardened rubber, with attached fittings, suitable for conducting gases or liquids

ex 62.05 Escape chutes

ex 68.13 Articles of asbestos, excluding thread and fabric

ex 68.14 Friction material (segments, discs, washers, strips, sheets, plates, rolls and the like) of a kind suitable for brakes, for clutches or the like, with a basis of asbestos

ex 70.08 Windshields of safety glass, not framed

ex 73.25 Stranded wire, cables, cordage, ropes, plaited bands, slings and the like, of iron or steel wire, fitted with fittings, or made up into articles

ex 73.38 Sanitary ware, excluding parts thereof, of iron or steel

ex 83.02 Base metal fittings and mountings (including hinges)

ex 83.07 Lamps and lighting fittings, and parts thereof, of base metal (excluding articles falling within chapter 85 except heading 85.22)

ex 83.08 Flexible tubing and piping, of base metal, with attached fittings

ex 84.06 Internal combustion piston engines, and parts thereof

ex 84.07 Hydraulic engines and motors, excluding parts thereof

ex 84.08 Non piston internal combustion engines, and parts thereof; other engines and motors, excluding parts thereof

ex 84.10 Pumps for liquids, whether or not fitted with measuring devices, excluding parts thereof

1 "Flight simulators and parts thereof: ex 88.05" are also included, though they do not have to be incorporated.
Air pumps, vacuum pumps; air or gas compressors; fans, blowers and the like; the foregoing excluding parts thereof

Air conditioning machines, self-contained, comprising a motor-driven fan and elements for changing the temperature and humidity of air; the foregoing excluding parts thereof

Refrigerators and refrigerating equipment (electrical and other), excluding parts thereof

Centrifuges, filtering and purifying machinery and apparatus, for liquids or gases; the foregoing excluding parts thereof

Fire extinguishers (charged or not), excluding parts thereof

Elevators (lifts), hoists, winches, cranes, jacks, pulley tackle, belt conveyors and other lifting, handling, loading or unloading machinery, and conveyors; the foregoing excluding parts thereof

Automatic data processing machines

Non-electric starter motors, propeller regulators, non-electric, servo-mechanisms, non-electric, windscreen wipers, non-electric, hydraulic servo-motors, non-electric, hydropneumatic spherical batteries, pneumatic starters for jet-engines, toilet units specially designed for aircraft, mechanical actuators for thrust reversers; the foregoing excluding parts thereof

Speed changers and gear boxes, excluding parts thereof

Pulleys and shaft couplings and parts of the foregoing, which are specially designed for installation in civil aircraft

Torque converters and parts of the foregoing, which are specially designed for installation in civil aircraft

Chain sprockets, clutches and universal joints, excluding parts thereof

Transformers, rated at 1 kVA or more, excluding parts thereof

Electrical motors of 1 or more, but under 200 HP, excluding parts thereof

Generators, motor-generators, converters (rotary or static), rectifiers and rectifying apparatus, inductors; the foregoing, excluding parts thereof

Electrical starting and ignition equipment for internal combustion engines (including ignition magnetos, magneto-dynamos, ignition coils, starter motors, sparking plugs and glow plugs); generators (dynamos and alternators) and cut-outs for use in conjunction with such engines; the foregoing, excluding parts thereof
cooking stoves and ranges, electric; furnaces, heaters, ovens, electric; food warmers, electric; the foregoing, excluding parts thereof

Microphones and stands therefor; loudspeakers, audiofrequency electric amplifiers; the foregoing, excluding parts thereof

Solid-state (tubeless) radio receivers, excluding parts thereof

Other radio-telegraphic and radio-telephonic transmission and reception apparatus, excluding parts thereof

Radio navigational aid apparatus, radar apparatus and radio remote control apparatus; assemblies and sub-assemblies of such apparatus, consisting of two or more parts or pieces fastened or joined together, specially designed for installation in civil aircraft

Electric sound or visual signalling apparatus, excluding parts thereof

Sealed beam lamps, excluding parts thereof

Flight recorders and assemblies and sub-assemblies thereof, consisting of two or more parts or pieces fastened or joined together, specially designed for installation in civil aircraft

Ignition wiring sets and wiring sets designed for use in civil aircraft

Balloons and airships

Gliders

Parts of balloons, airships, gliders, flying machines and helicopters

Flight simulators and parts thereof

Automatic pilots and parts thereof

Optical navigational instruments, excluding parts thereof

Other navigational instruments, and parts thereof

Gyroscopic compasses and parts thereof

Other compasses, excluding parts thereof

Gas masks and similar respirators, excluding parts thereof

Thermometers

Instruments and apparatus for measuring, checking or automatically controlling the flow, depth, pressure or other variables of liquids or gases, or for automatically controlling temperature

Speed indicators and tachometers

Automatic flight control instruments and apparatus

Other electrical measuring, checking, analysing or automatically controlling instruments and apparatus

Parts of automatic flight control instruments and apparatus
ex 91.03 Instrument panel clocks and clocks of a similar type, with watch movements; or with clock movements measuring less than 1.77 inches in width

ex 91.08 Clock movements, assembled, without dials or hands, or with dials or hands whether or not assembled thereon; constructed or designed to operate for over 47 hours without rewinding, having over one jewel

ex 94.01 Chairs and other seats (except leather covered chairs and seats), excluding parts thereof

ex 94.03 Other furniture, excluding parts thereof
# List of Items from the Tariff Schedules of the United States

The following list is authentic only in the English language.

<table>
<thead>
<tr>
<th>TSUS</th>
<th>Descriptionuin civil aircraft.</th>
</tr>
</thead>
<tbody>
<tr>
<td>518.52</td>
<td>Articles NSPF, of asbestos, if certified for use in civil aircraft.</td>
</tr>
<tr>
<td>544.43</td>
<td>Windshields, if certified for use in civil aircraft.</td>
</tr>
<tr>
<td>642.22</td>
<td>Strands, ropes, cables and cordage; all the foregoing, of wire, fitted with fittings, or made up into articles, if certified for use in civil aircraft.</td>
</tr>
<tr>
<td>647.04</td>
<td>Hinges and fittings and mountings, NSPF, not coated or plated with precious metal; all the foregoing of iron or steel, or aluminum, or zinc, if certified for use in civil aircraft.</td>
</tr>
<tr>
<td>647.07</td>
<td>Hinges and fittings and mountings, NSPF, not coated or plated with precious metal, of base metal other than iron, steel, aluminum or zinc, if certified for use in civil aircraft.</td>
</tr>
<tr>
<td>652.11</td>
<td>Flexible metal hose or tubing, with fittings, if certified for use in civil aircraft.</td>
</tr>
<tr>
<td>653.41</td>
<td>Illuminating articles and parts thereof, of base metal, if certified for use in civil aircraft.</td>
</tr>
<tr>
<td>653.96</td>
<td>Toilet and sanitary ware, if certified for use in civil aircraft.</td>
</tr>
<tr>
<td>660.58</td>
<td>Internal-combustion engines, piston-type, other than compression-ignition engines, if certified for use in civil aircraft.</td>
</tr>
<tr>
<td>660.61</td>
<td>Non-piston type internal combustion engines, if certified for use in civil aircraft.</td>
</tr>
<tr>
<td>660.69</td>
<td>Parts of piston-type engines other than compression-ignition engines, if certified for use in civil aircraft.</td>
</tr>
<tr>
<td>660.73</td>
<td>Parts of non-piston type engines or compression-ignition, piston-type engines, if certified for use in civil aircraft.</td>
</tr>
<tr>
<td>660.87</td>
<td>Non-electric engines and motors, NSPF, if certified for use in civil aircraft.</td>
</tr>
<tr>
<td>660.99</td>
<td>Pumps for liquids operated by any kind of power unit, if certified for use in civil aircraft.</td>
</tr>
</tbody>
</table>
Fans and blowers, if certified for use in civil aircraft.

Compressors, if certified for use in civil aircraft.

Air pumps and vacuum pumps, if certified for use in civil aircraft.

Air-conditioning machines, if certified for use in civil aircraft.

Refrigerators and refrigerating equipment, if certified for use in civil aircraft.

Centrifuges, if certified for use in civil aircraft.

Filtering and purifying machinery and apparatus, for liquids or gases, if certified for use in civil aircraft.

Fire extinguishers, if certified for use in civil aircraft.

Elevators, hoists, winches, cranes, jacks, pulley tackle, belt conveyors, and other lifting, handling, loading or unloading machinery and conveyors; all the foregoing, if certified for use in civil aircraft.

Accounting, computing and other data processing machines, if certified for use in civil aircraft.

Flight simulating machines and parts thereof.

Gear boxes and other speed changers, other than those provided for in items 680.43 and 680.44, if certified for use in civil aircraft.

Pulleys, shaft couplings, and parts of the foregoing which are specially designed for installation in civil aircraft; all the foregoing, if certified for use in civil aircraft.

Torque converters; and parts thereof which are specially designed for installation in civil aircraft; all the foregoing, if certified for use in civil aircraft.

Chain sprockets, clutches and universal joints, if certified for use in civil aircraft.

Electrical transformers rated at 1 kVA or more, if certified for use in civil aircraft.

Electrical motors of 1 horsepower or more, but not over 20 horsepower, if certified for use in civil aircraft.
Electrical motors of over 20 but under 200 horsepower, if certified for use in civil aircraft.

Generators, motor-generators, converters (rotary or static), rectifiers and rectifying apparatus and inductors; all the foregoing which are electrical goods, if certified for use in civil aircraft.

Ignition magnetos, magneto-generators, ignition coils, starter motors, spark plugs, glow plugs, and other electrical starting and ignition equipment for internal combustion engines, generators and cut-outs for use in conjunction therewith; all the foregoing, if certified for use in civil aircraft.

Microwave ovens, if certified for use in civil aircraft.

Cooking stoves and ranges, if certified for use in civil aircraft.

Furnaces, heaters and ovens, if certified for use in civil aircraft.

Food warming devices, if certified for use in civil aircraft.

Microphones, loudspeakers, headphones, audio-frequency electric amplifiers, electric sound amplifier sets comprised of the foregoing components; all the foregoing, if certified for use in civil aircraft.

Solid state radio receivers, if certified for use in civil aircraft.

Other radiotelegraphic and radiotelephonic transmission and reception apparatus, if certified for use in civil aircraft.

Tape recorders and dictation recording and transcribing machines; assemblies and subassemblies of such machines, consisting of two or more parts or pieces fastened or joined together, specially designed for installation in civil aircraft; all the foregoing, if certified for use in civil aircraft.

Radio navigational aid apparatus, radar apparatus, and radio remote control apparatus; assemblies and subassemblies of such apparatus, consisting of two or more parts or pieces fastened or joined together, specially designed for installation in civil aircraft; all the foregoing, if certified for use in civil aircraft.

Bells, sirens, indicator panels, burglar and fire alarms, and other sound or visual signalling apparatus; all the foregoing which are electrical, if certified for use in civil aircraft.
Automatic voltage and voltage-current regulators designed for use in a 6-volt, 12-volt or 24-volt system; if certified for use in civil aircraft.

Automatic voltage and voltage-current regulators other than those designed for use in a 6-volt, 12-volt or 24-volt system, if certified for use in civil aircraft.

Sealed-beam lamps, if certified for use in civil aircraft.

Ignition wiring sets, if certified for use in civil aircraft.

Electrical synchros and transducers, if certified for use in civil aircraft.

Civil balloons and airships.

Civil gliders.

Civil airplanes (including helicopters).

Other parts of civil aircraft, if certified for use in civil aircraft.

Gas masks and similar respirators, if certified for use in civil aircraft.

Optical instruments other than photogrammetrical instruments and rangefinders, if certified for use in civil aircraft.

Gyroscopic compasses and parts thereof, if certified for use in civil aircraft.

Other compasses, if certified for use in civil aircraft.

Automatic pilots and parts thereof, if certified for use in civil aircraft.

Other navigational instruments and parts thereof, if certified for use in civil aircraft.

Liquid-filled thermometers other than clinical thermometers, if certified for use in civil aircraft.

Other thermometers, if certified for use in civil aircraft.

Flow meters, heat meters incorporating liquid supply meters, and anemometers; all the foregoing, if certified for use in civil aircraft.
<table>
<thead>
<tr>
<th>Code</th>
<th>Item Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>711.87</td>
<td>Pressure gauges, thermostats and other instruments and apparatus for measuring, checking, or automatically controlling the flow, depth, pressure, or other variables of liquids or gases, or for automatically controlling temperature; all the foregoing, if certified for use in civil aircraft.</td>
</tr>
<tr>
<td>711.97</td>
<td>Speedometers and tachometers, if certified for use in civil aircraft.</td>
</tr>
<tr>
<td>712.06</td>
<td>Electrical optical measuring, checking, analyzing or automatically-controlling instruments, if certified for use in civil aircraft.</td>
</tr>
<tr>
<td>712.48</td>
<td>Electrical automatic flight control instruments and apparatus, and parts thereof; all the foregoing, if certified for use in civil aircraft.</td>
</tr>
<tr>
<td>712.52</td>
<td>Other electrical measuring, checking, analyzing or automatically-controlling instruments and apparatus, if certified for use in civil aircraft.</td>
</tr>
<tr>
<td>715.16</td>
<td>Clocks with watch movements or with clock movements measuring less than 1.77 inches in width, if certified for use in civil aircraft.</td>
</tr>
<tr>
<td>720.09</td>
<td>Clock movements, assembled, without dials or hands, or with dials or hands whether or not assembled thereon, constructed or designed to operate for over 47 hours without rewinding, having over one jewel, if certified for use in civil aircraft.</td>
</tr>
<tr>
<td>727.49</td>
<td>Furniture of reinforced or laminated plastics, if certified for use in civil aircraft.</td>
</tr>
<tr>
<td>727.51</td>
<td>Furniture of other rubber or plastics, if certified for use in civil aircraft.</td>
</tr>
<tr>
<td>727.56</td>
<td>Furniture, of materials other than unspun fibrous vegetable materials, wood, textile materials (except cotton), rubber or plastics, copper, or leather, if certified for use in civil aircraft.</td>
</tr>
<tr>
<td>772.46</td>
<td>Pneumatic tires, of rubber or plastics, if certified for use in civil aircraft.</td>
</tr>
<tr>
<td>772.67</td>
<td>Hose, pipe and tubing; all the foregoing NSPF, of rubber or plastics, suitable for conducting gases or liquids, with attached fittings, if certified for use in civil aircraft.</td>
</tr>
</tbody>
</table>
I hereby certify that the foregoing text is a true copy of the Agreement on Trade in Civil Aircraft, done at Geneva on 12 April 1979, the original of which is deposited with the Director-General to the CONTRACTING PARTIES to the General Agreement on Tariffs and Trade.

O. LONG

Director General
Geneva

Je certifie que le texte qui précède est la copie conforme de l'Accord relatif au commerce des aéronefs civils, établi à Genève le 12 avril 1979, dont le texte original est déposé auprès du Directeur général des PARTIES CONTRACTANTES à l'Accord général sur les tarifs douaniers et le commerce.

Directeur général
Genève
Agreement reached in Paris on 15 June 1979 between certain participants in the Agreement on Trade in Civil Aircraft (EEC, Canada, Japan, Sweden, United States) on reciprocal negotiating rights in case of withdrawal of tariff concessions.

The delegations of Canada, EEC, Japan, Sweden and the United States agreed that withdrawal of tariff concessions can upset the balance of rights and obligations under the Agreement on Trade in Civil Aircraft. Each of these delegations is prepared to enter into consultations with each other in order to find means to restore the balance. Such measures may include provisions for compensatory adjustment.
Letter from Mr Luyten, Head of the Commission Delegation in Geneva, to Ambassador McDonald relating to the interpretation of the term "military aircraft" in the E.E.C. tariff
(Similar letters sent to Canada, Japan, Switzerland, Sweden)

It will be recalled that Article 1.2 of the Civil Aircraft Agreement states that for the purposes of this agreement "civil aircraft" means "all aircraft other than military aircraft".

In this connection I wish to state that in so far as the Community's tariff is concerned it will treat as military aircraft all aircraft used in military, or similar services in the Member States provided they carry a military or non-civil registration. By the same token parts of such "military" aircraft are also outside the scope of the agreement on civil aircraft.
Letter from Mr. Luyten, Head of the Commission Delegation in Geneva
to Mr. Culbert, Deputy Head of U.S. Delegation,
concerning the interpretation to be given to certain
concessions offered by the European Community and by
the United States in the lists annexed to the
Agreement on Trade in Civil Aircraft

In connexion with this agreement, I have the following questions
to ask:

1. **Note 3 (b) of Schedule XX, part 1, of your June offer:**
   
   I suppose that this note applies to all products in the Agreement,
   and not only to complete aircraft.

2. **Number 680.47 and 680.48 of your June offer:**
   
   It is my understanding that parts of speed changers of number 680.47
   are classified in number 680.48 with a duty of 9%. In your list of
duty-free items to be annexed to the Agreement, parts of gear-boxes
   and other speed changers are granted duty-free.

   I would be grateful for an early answer.
Letter from Mr. Culbert, Acting Head of U.S. Delegation
to Mr Luyten, Head of Commission Delegation in Geneva

I refer to your letter dated 18 July, 1979, concerning the Civil Aircraft Agreement.

I can confirm that note 3(b) of Chapter 6, Unit C of Schedule XX (page 527) applies to all products in Schedule XX and not only to complete aircraft.

I can also confirm that Schedule XX is correct in showing a concession rate of 9% for item 680.48 which covers parts of speed changers and gear boxes. They were erroneously included in the US portion of the annex to the aircraft agreement circulated the week of June 14.
Letter from Mr. McCarthy, Economic Counselor at the
U.S. Mission, Brussels to Mr. Derisbourg, Head of Division
at the Commission of the European Communities

The Mission has been requested by Washington to request
clarification on the following numbers in the BTN portion of the
annex to the MTN aircraft agreement:

39.07 For these three BTN numbers we assume that hoses are included,
49.09 as they are in U.S. list, even though they are not specifically
40.16 named. Please confirm.

70.03 We assume that windshields which are framed are classified
in BTN 88.03. Please confirm.

73.25 We assume that strands, ropes, and cordage are included, as
they are in the U.S. list, even though they are not specifically
named. Please confirm.

84.52 Accounting machines. This BTN number was on previous BTN lists
and its TSUS equivalent.

(TSUS 676.16) is on the U.S. list. Why was it removed?

Could you also confirm that, at the request of the Japanese,
BTN item 83.09, buckles, is to be removed from the annex along with
the corresponding item on the TSUS list, 745.46.

The Mission has also been asked to inform you that there may
be additional questions later.

We thank you for your cooperation and look forward to the
Commission's reply.
Letter from Mr. Derisbourg, Head of Division at the Commission of the European Communities to Mr. McCarthy, Economic Counselor at the U.S. Mission, Brussels

I have received the following information from our customs experts concerning the questions you put in your letter of 17 July:

39.07, 49.09, 40.16: your assumption is correct; these BTN numbers include hoses though they are not specifically named.

70.03: we confirm that framed windshields are contained in BTN 88.03.

73.25: we confirm that strands, ropes and cordage are included in this position; they are also specifically named in our final (revised) list which will be sent to GATT secretariat today.

84.52: (accounting machines): we have taken out this position because in our last detailed nomenclature discussion it was agreed that this sort of product is not to be found in aircraft.

83.09: we can agree to removal of this item and it no longer figures in our latest list.

We'll be happy to answer any other questions you may have.
Letter from Viscount Davignon to Ambassador Strauss on the Agreement on Trade in Civil Aircraft relating to further discussion of the product coverage of the agreement in the future

The European Economic Community has expressed concern throughout the negotiation on the aircraft agreement in regard to the exclusion of certain tariff items and headings and in particular in regard to the exclusion of certain "parts of parts" of civil aircraft. With a view to finding a solution to this problem, the Community therefore gives notice to its negotiating partners that it will raise the question of what procedures to adopt in order to handle this question, at the next informal meeting on the agreement.

Subject to signature of the agreement, the Community also gives notice that it intends in particular to raise the question of "parts or parts" and possible extension of the tariff coverage of the agreement, in the course of the first annual review provided for in article 8.2 of the said agreement, and in subsequent annual reviews, or as necessary, until a satisfactory result can be obtained on this question.

(This letter has also been sent to the delegations of Canada, Japan and Sweden.)
Agreed minutes of discussion between participants in the Agreement on Trade in Civil Aircraft relating to the clarification of certain questions in connexion with this Agreement.

1. The delegations from Canada, EEC, Japan, Sweden and the United States desired to express appreciation to the Government of France for its arrangements for these meetings at the time of a significant aeronautical event.

2. With a view to broadening and improving this agreement on the basis of mutual reciprocity, in the context of the Agreement and in particular the preamble and article 8.3, the delegations from Canada, EEC, Japan, Sweden and the United States agreed to ask the Committee to explore at an early stage the possibilities of expanding the coverage of the Agreement to include duties and charges of any kind levied on, or in connection with, the exportation of products covered by the Agreement.

3. In response to a question as to why the U.S. implementing legislation exempts aircraft purchased for use by the United States Coast Guard from coverage under the Agreement, the United States representative said that the United States Coast Guard is a uniformed military service and its aircraft are military aircraft, and so are not covered by the Agreement (cf. Article 1.2). He stated further that the Agreement and the US implementation thereof will in no way affect the current customs treatment of such aircraft, i.e., whether, when imported, they enter under tariff heading 694.40 (duty assessed) or Schedule VIII (duty waived).

4. The delegation of the United States invited the other four participants to the meeting of 15 June 79 (Canada, EEC, Japan, Sweden) to an informal meeting on the Agreement on Trade in Civil Aircraft in Washington. The date tentatively agreed was 24/25 September 1979.

5. It was agreed that these minutes would be forwarded to the Chairman of the Committee on Trade in Civil Aircraft.