



Trade Guide: WTO GPA

WTO AGREEMENT ON GOVERNMENT PROCUREMENT (REVISED)

What is this Agreement and what does it do?

The Agreement on Government Procurement of the World Trade Organization (WTO), commonly known as the GPA, establishes a framework of rights and obligations for government procurement among the WTO members that have signed it. The signatories have agreed that suppliers of goods and services in other signatory countries will be treated no less favorably than domestic suppliers in procurement covered by the Agreement, and that their laws, regulations and procedures relating to government procurement will be transparent and fair.

The current signatories to this Agreement (as of April, 2014) are: Armenia, Canada, Chinese Taipei, the European Union — whose member states are Austria, Belgium, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, The Netherlands (including Aruba), Poland, Portugal, Slovakia, Slovenia, Spain, Sweden and the United Kingdom — Hong Kong, Iceland, Israel, Japan, Norway, South Korea, Liechtenstein, Singapore, Switzerland, and the United States. Any other WTO member government can accede to this Agreement on terms agreed by that government and the current signatories.

The WTO Agreement on Government Procurement (GPA) was first concluded in 1979 under the General Agreement on Tariffs and Trade (GATT). It was revised and expanded as a WTO Agreement which entered into force on January 1, 1996.

The Agreement was revised In March 2012, also expanding the procurement that it covers. It entered into force April 6, 2014, after the threshold of acceptances by two-thirds of the Parties was reached on March 7, 2014. It has no expiration date.

Who benefits from this Agreement?

Any company in a signatory country that wants to sell goods or services covered by the GPA to a procuring entity in another signatory country that is listed in Appendix I of the GPA can benefit from this Agreement. The World Trade Organization estimates that the value of government procurement opportunities covered by the Agreement is worth several hundred billion dollars annually.

How can this Agreement help my company?

The signatories of the GPA have agreed that in government procurement, companies in other signatory countries will be treated no less favorably than domestic companies in accordance with the principles of national treatment and non-discrimination. Locally-established companies will also not be treated less favorably because of foreign affiliation or ownership, or because the goods and services they provide are of foreign origin.

Coverage of the Agreement

The GPA applies to procurement by any contractual means, including purchase, lease or rental with or without an option to buy. It applies to the entities that each signatory country has listed in [Appendix I \(offsite link\)](#) of the Agreement. Annex 1 of Appendix I lists the central government entities that are covered, Annex 2 the sub-central government entities, and Annex 3 the other entities.

The Agreement applies to the procurement of:

- goods;
- services; and
- construction services.

To be covered under the GPA, government procurement contracts must meet minimum value thresholds. These vary depending on the type of procuring entity and contract. Current thresholds can be found in [the Threshold Table \(offsite link\)](#) published by the WTO.

Notice of Procurement Opportunities

Signatories of the GPA are required to publish summary notices of procurement opportunities for procurement covered by the Agreement. Each member has identified publications in which these opportunities are posted. The publications are listed in [Appendix II \(offsite link\)](#).

Many procurement opportunities are also published electronically.

Bidding Procedures

The GPA contains a number of provisions that are designed to ensure that bidding procedures for government procurement in signatory countries are transparent, effective and fair. The signatories have agreed that:

- the process of qualifying suppliers and the time required for qualification shall not be used to keep suppliers in other signatory countries from being considered for a procurement opportunity;
- for each procurement opportunity, the procuring entity shall publish a notice in one of the official languages of the WTO (English, French and Spanish) which shall contain the subject matter of the contract, time limits for the submission of bids and addresses from which necessary documentation may be obtained;
- in open bidding procedures (open to all interested suppliers), the period for the receipt of bids shall be not less than 40 days from the date of the invitation to bid;
- in selective procedures (in which governments invite companies to bid), the period for submitting a bid shall be not less than 40 days. Suppliers shall be given not less than 25 days to submit applications if there is no permanent list of qualified suppliers;
- limited bidding procedures (where a procuring entity contacts suppliers individually) shall not be used as a means of discriminating in favor of domestic products or suppliers;

- the documentation provided to suppliers shall contain all the information they will need to submit responsive bids, including a complete description of the products or services required and the criteria for awarding the contract;
- technical specifications shall not create unnecessary obstacles to trade, shall be based on international standards, where they exist and are appropriate, and shall be in terms of performance rather than design or descriptive characteristics;
- procuring entities shall not, in selecting suppliers, impose, seek or consider offsets (for example domestic content requirements, licensing of technology, countertrade or investment requirements); and
- notices shall be published not later than 72 days after the award of each contract describing the nature and quantity of products or services involved and the name and address of the winning bidder.

Challenge Procedures

If a supplier believes that there has been a breach of this Agreement, he or she is encouraged to engage in consultations with the procuring entity in order to resolve the problem. If such consultations fail to produce a satisfactory result, each signatory government is expected to provide non-discriminatory, timely, transparent and effective procedures which would enable suppliers to challenge alleged breaches of the Agreement. Suppliers may be required to initiate a challenge procedure within a specified period (no less than 10 days) from the time when the basis of the complaint was known. Challenges must be heard by a court or by an impartial independent review body with no interest in the outcome of the procurement. Challenge procedures are to be completed “in a timely fashion”.

If a signatory government believes that its rights under this Agreement are being nullified or impaired by another signatory, it can request the initiation of WTO dispute settlement procedures to resolve the issue. The WTO dispute settlement process is described in the [Exporter’s Guide to the WTO Understanding on the Settlement of Disputes](#).

Committee on Government Procurement

The GPA established a Committee on Government Procurement, composed of representatives of all signatory countries. It meets at least once a year, and more often if necessary, to afford signatory countries the opportunity to consult on any matters relating to the operation of the Agreement.

Can the U.S. Government help me if I have a problem?

Yes. If you encounter any difficulties selling goods or services to procuring entities of a signatory government because that government has failed to comply with this Agreement, contact the Trade Agreements Negotiations and Compliance’s hotline at the U.S. Department of Commerce. The Center can help you understand your rights under this Agreement and can alert the appropriate U.S. Government officials to help you resolve your problem. The U.S. Government can, if appropriate, raise the particular facts of your situation with the government of the other country involved and ask officials of that government to review the matter. As a last resort, the U.S. Government can invoke the dispute settlement process of the WTO.

How can I get more information?

The complete text of the WTO Government Procurement Agreement is available from the Office of Trade Agreements Negotiations and Compliance’s [WTO Agreements database](#).

If you have questions about this Agreement or how to use it, you can [e-mail](#) the Trade Agreements Negotiations and Compliance which will forward your message to the Commerce Department's Designated Monitoring Officer for the Agreement. You can also contact the Designated Monitoring Officer at the following address:

Designated Monitoring Officer

WTO Government Procurement Agreement

Trade Agreements Negotiations and Compliance

Enforcement and Compliance

International Trade Administration

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