The revised GPA and electronic procurement: relevance for transition and emerging economies

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FORUM - MOVING FORWARD WITH E-PROCUREMENT

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Contents of presentation

- The changing global context of the GPA
- The role of the GPA in promoting e-commerce
- The e-GPA tool and (potential) synergies with procurement monitoring.
What is the GPA?: Basic nature of the Agreement

A **binding international Agreement** that promotes:

- Access to other GPA Parties’ procurement markets;
- Improved value for money in each participating Member’s procurements;
- Good governance (transparency, fair competition and a key requirement regarding avoidance of corruption in covered procurement markets).

A **plurilateral agreement**

- Part of the WTO system (and enforceable under the DSU!) via Annex 4 of the Marrakesh Agreement.
- Recently re-negotiated.
- Membership increasing over time.
Main elements

- National treatment and non-discrimination.
- Detailed provisions on procurement process, to ensure transparent and open competition.
- Enforcement: provisions on application of the WTO-DSU and domestic review procedures.
- S&D and other provisions to facilitate accession.
Core principles of the Agreement (basis for legal elements)

- Non-discrimination (especially between foreign and domestic suppliers);
- Transparency of the procurement system and of individual procurements;
- Procedural fairness for suppliers/potential suppliers
I. Changing global context of the GPA
The revised GPA entered into force in 2014

- Now in force for all Parties except Switzerland.

- Market access enhancement (An estimated USD1.7 trillion market annually)

- Future Work Programmes

- Revised text.
Key revisions and new elements

- Overall streamlining of the text to follow procurement process organically.
- Integration of e-tendering
- Clarification with regard to technical specifications for the preservation of natural resources, protection of the environment.
- New emphasis on the fight against corruption.
- Better aligned with other international instruments.
Synergies with other international instruments, and national legislation

- GPA a distillation of best practices internationally, as seen by the participating WTO Member governments.
- An important benchmark for national procurement reforms.
- Carefully harmonized with the UNCITRAL Model Law on Public Procurement 2011.
- The model/key reference document for procurement chapters in bilateral FTAs and regional trade agreements worldwide, at least compatible with most.
Membership & market access dimension

- **Increasing membership of the Agreement.**
  - currently comprises 19 Parties, latest Parties: Moldova and Ukraine
  - encompasses 47 WTO members – up from 22 in 1994
  - several acceding members and others with GPA accession commitments

- **Significant and growing market access dimension**
  - estimated $1.7 trillion, worth abt 2.5% of global economy
State of play and latest developments

- 9 observers are in the process of acceding
  - Australia
  - China;
  - Albania;
  - Georgia;
  - Jordan;
  - Kyrgyz Republic;
  - Oman;
  - Russian Federation;
  - Tajikistan.

- Ukraine and Moldova just became Parties, entry into force of the Agreement for both in Summer 2016.

- 6 WTO Members have commitments to accede to the GPA
  - Afghanistan, the former Yugoslav Republic of Macedonia;
  - Mongolia;
  - Saudi Arabia;
  - Seychelles and Kazakhstan.
II. The role of the GPA in promoting e-commerce
Role of the revised GPA in promoting e-commerce (1)

- Important and explicit goal of the GPA!
- The 7th recital of the revised Agreement's Preamble refers specifically to:
  
  “the importance of using, and encouraging the use of, electronic means for procurement covered by this Agreement”

- The GPA encourages both participating governments and businesses to employ electronic tools in all aspects of the procurement process.
Role of the revised GPA in promoting e-commerce (2)

How does the revised GPA promote e-GP?

- The provisions of the GPA are understood to apply to both traditional forms of GP and e-GP in the same way (technology neutral approach).

- GPA recognizes the additional transparency benefits flowing from the use of electronic means in the publication of information, e.g.:
  - Information on applicable GP national laws and regulations;
  - Information on procurement notices, multi-use list of suppliers, award information;
  - Information on GP statistics.
Role of the WTO revised GPA in promoting e-commerce (3)

• Clear **incentives** for using electronic tools by providing greater flexibility for Parties that use them, e.g.:
  - Reduction of minimum waiting periods for tendering if and to the extent that electronic means are used.
  - No need for separate statistics notifications to the Committee.
  - Simplification of notifications on changes in legislation.

• The use of electronic means is mostly **optional**, but **encouraged**!
Role of the WTO revised GPA in promoting e-commerce (4)

• **IF used, some minimum requirements apply:**
  - General principles (non-discrimination, transparency and procedural fairness) have to be complied with. PLUS:
  - General availability and interoperability of the IT systems and software used;
  - Availability of mechanisms to ensure the integrity of requests for participation and tenders;
  - Maintenance of data to ensure the traceability of the conduct of covered procurement by electronic means.

• **WHY?** To ensure that the use of electronic means does not create barriers to international trade and competition, and that their use remains fully transparent.
III. The WTO’s e-GPA Project

Enhancing the Transparency and Accessibility of GPA Market Access Information

and

(potential) Synergies with Procurement Monitoring through e-Procurement Systems

https://e-gpa.wto.org/
e-GPA: Objectives

- Create an **integrated database** of GPA coverage data to serve as a market access information resource
  - for use by governments, businesses and other interested parties
- Better publicize the **huge commercial opportunities** available under the Agreement
- **Serve as a important tool of e-commerce in the GP sector**
  - Lower some of the costs associated with physical distance and help suppliers to identify international trade opportunities
- Create an online digital tool for **notifications**, statistical data and more
  - thus foster interest in and accessions to the Agreement
Improving the transparency and accessibility of GPA market access information

Welcome to the integrated Government Procurement Market Access Information Resource (e-GPA) portal of the WTO.

This portal provides a single point of access to the market access information under the Revised Agreement on Government Procurement (GPA), together with related information that the GPA Parties are committed to provide. It offers improved transparency and user-friendly accessibility to the relevant information, and aims to better publicize the up to $1.7 trillion in market access opportunities available under the Agreement. The revised GPA entered into force on 6 April 2014. In particular, the site enables you to browse and search the Parties' coverage commitments, and create an output on screen reflecting your results. In appropriate cases, the outputs can be downloaded in a variety of file formats, or printed.

Browse
Advanced Search
Thresholds
Publication Media
Modifications
Generate an Output
Welcome to the Browse Section of the e-GPA portal.

### Armenia

(Authentic in the English Language only)

- **Central Government Entities**  
  Annex 1
- **Sub-Central Government Entities**  
  Annex 2
- **Other Entities**  
  Annex 3
- **Goods**  
  Annex 4
- **Services**  
  Annex 5
- **Construction Services**  
  Annex 6
- **General Notes**  
  Annex 7

### Moldova, Republic of

(Authentic in the English Language only)

- **Central Government Entities**  
  Annex 1
- **Sub-Central Government Entities**  
  Annex 2
- **Other Entities**  
  Annex 3
- **Goods**  
  Annex 4
- **Services**  
  Annex 5
- **Construction Services**  
  Annex 6
- **General Notes**  
  Annex 7

### Canada

### European Union

### Hong Kong, China

### Iceland

### Israel

### Japan

### Korea, Republic of

### Liechtenstein

### Montenegro

### New Zealand

### Aruba

### Norway

### Singapore

### Switzerland

### Chinese Taipei

### Ukraine

### United States of America
Welcome to the Thresholds section of the e-GPA portal.

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Welcome to the e-GPA Advanced Search

This page allows you to search the entire revised GPA coverage database with regard to a particular Party or Parties, Entities, Goods, Services or Construction Services and Keywords to extract information of interest. You do NOT have to select all the search fields below (only fill the search fields that are relevant to your query). Please note that selected search criteria are cumulative and will all be reflected in your search results.

Search Form

Find text in the GPA coverage

Select the GPA Parties you are interested in

Goods – Search the GPA coverage for specific goods

Services – Search the GPA coverage for specific services (including Construction Services)

Thresholds

Selected Search Criteria

Note:
The search results only display Parties containing elements of coverage matching your search criteria. Other Parties are not displayed (even if initially selected in your search criteria).
Welcome to the e-GPA Advanced Search

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See your selected search criteria

GPA Parties
- Parties: ARM; CAN; EEC; HKG; ISL; ISR; JPN; KOR; LIE; MDA; MNE; NZL; ABW; NOR; SGP; CHE; CHT; UKR; USA

Goods
- Type of Goods: Goods procured by ALL ENTITIES (except some defence or security related entities).
- Goods Classification System: Harmonized System (HS)
- Selected Goods: PHARMACEUTICAL PRODUCTS

Services
- Services Classification System: Services Sectoral Classification List (MTN.GNS/W/120)
- Selected Services: HEALTH RELATED AND SOCIAL SERVICES (other than those listed under 1.A.h-j.)

Find text in the GPA coverage
- Any of these words: health hospital healthcare

Note:
The search results only display Parties containing elements of coverage matching your search criteria. Other Parties are not displayed (even if initially selected in your search criteria).
See your selected search criteria

- Armenia
  - Central Government Entities (Annex 1)
    19 Ministry of Health of the Republic of Armenia
- Canada
- European Union
- Hong Kong, China
- Israel
- Japan
- Korea, Republic of
- Moldova, Republic of
  - Central Government Entities (Annex 1)
    14 Ministry of Health of Republic of Moldova
  - Other Entities (Annex 3)
    1 All legal entities (authorities, establishments and foundations) governed by public law and not having an industrial or commercial character, whose procurement is covered by Law on Government Procurement No 96-XVI of 13 April 2007 in particular the following:
      1.20 Hospitals, sanatoriums, clinics, medical units, legal-medical institutes, ambulance stations
- Montenegro
- New Zealand
  - Central Government Entities (Annex 1)
    14 Ministry of Health
  - Sub-Central Government Entities (Annex 2)
    1 Auckland District Health Board (Note 1)
    2 Canterbury District Health Board (Note 1)
    3 Capital and Coast District Health Board (Note 1)
    4 Counties Manukau District Health Board (Note 1)
    5 Hutt District Health Board (Note 1)
    6 MidCentral District Health Board (Note 1)
    7 South Canterbury District Health Board (Note 1)
    8 Waiariki District Health Board (Note 1)
    9 Waitemata District Health Board (Note 1)
    10 Bay of Plenty District Health Board (Note 1)
    11 Southern District Health Board (Note 1)
- Aruba
- Norway
- Singapore
- Switzerland
- Chinese Taipei
- Ukraine
  - Central Government Entities (Annex 1)
    7 An indicative list of central government entities follows.
    27 Ministry of Health of Ukraine
- United States of America
  - Central Government Entities (Annex 1)
    19 Department of Health and Human Services
    44 Federal Mine Safety and Health Review Commission
    69 Occupational Safety and Health Review Commission
  - Sub-Central Government Entities (Annex 2)
See your selected search criteria

Disclaimer

- Armenia
- Canada
- European Union
- Hong Kong, China
- Iceland
- Israel
- Japan
- Korea, Republic of
- Liechtenstein
- Moldova, Republic of
- Montenegro
- New Zealand
- Aruba
- Norway
- Singapore
- Switzerland
- Chinese Taipei
- Ukraine

Extract from the Party's revised coverage commitments set out in Annex 4 (Goods)

The Agreement covers all goods procured by the entities included in Annexes 1 to 3.

See the Party's Annex 7 (General Notes)

List of Harmonized System Products

- 30 - PHARMACEUTICAL PRODUCTS

United States of America
Welcome to the e-GPA Advanced Search

This page allows you to search the entire revised GPA coverage database with regard to a particular Party or Parties, Entities, Goods, Services or Construction Services and Keywords to extract information of interest. You do NOT have to select all the search fields below (only fill the search fields that are relevant to your query). Please note that selected search criteria are cumulative and will all be reflected in your search results.

See your selected search criteria

★- Partial coverage of the sector ★- Full coverage of the sector

Armenia

8. HEALTH RELATED AND SOCIAL SERVICES (other than those listed under 1.A.h-j.) ★ Show the Party's Coverage at this level.
   - A. Hospital services 9311 ★
   - B. Other Human Health Services 9319 (other than 93191) ★
   - C. Social Services 933 ★
   - D. Other ★

Ukraine

8. HEALTH RELATED AND SOCIAL SERVICES (other than those listed under 1.A.h-j.) ★ Show the Party's Coverage at this level.
   - A. Hospital services 9311 ★
   - B. Other Human Health Services 9319 (other than 93191) ★
   - C. Social Services 933 ★
   - D. Other ★

United States of America

8. HEALTH RELATED AND SOCIAL SERVICES (other than those listed under 1.A.h-j.) ★ Show the Party's Coverage at this level.
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   - B. Other Human Health Services 9319 (other than 93191) ★
   - C. Social Services 933 ★
   - D. Other ★
Welcome to the Publication Media Section of the e-GPA portal.

The Parties to the GPA are required to notify the paper or electronic media where they publish information on applicable laws and regulations etc., any changes thereto, procurement and contract award notices, and website addresses for statistics. This information is available in the Appendices II to IV of the Agreement (see Articles VI.2 and 3 and XXII.5 of the Revised GPA).

The options below allow you to browse and access the Parties’ notifications of their publication media, including links to the electronic portals, where available. You can also create an output reflecting the results of your query on screen or in PDF, Word, Excel, TIFF, CSV, MHTML or XML format, or print them.

Laws, Regulations, Judicial Decisions, Administrative Rulings, Contract Clauses, and procedures regarding covered government procurement

Appendix II

Procurement notices, Multi-use lists of suppliers, Award information

Appendix III

- Armenia
- Canada
- European Union
- Hong Kong, China
- Iceland
- Israel
- Japan
- Korea, Republic of
- Liechtenstein
- Moldova, Republic of
- Montenegro
- New Zealand
- Aruba
- Norway
- Singapore
- Chinese Taipei
- Ukraine
- United States of America
Electronic or paper media utilized by Parties for the publication of notices required by Articles VII, IX:7 and XVI:2 pursuant to article VI

Appendix III

UKRAINE

1. Public Procurement Portal - http://www.tender.me.gov.ua/

Attention!

Пропозиції та зауваження до роботи порталу та системи державних закупівель

Навчання за Законом "Про публічні закупівлі" 14 грудня 2016 року

Дводенне навчання за Законом "Про публічні закупівлі" у грудні 2016 року

19 жовтня 2016 року

Навчання за Законом "Про публічні закупівлі" 18 листопада 2016 року

Дводенне навчання за Законом "Про публічні закупівлі" 22-23 листопада 2016 року

1 листопада 2016 року

Запрошуємо представників бізнесу на практичний тренінг поглибленого рівня "Прозорро для бізнесу: Як заробити на державних закупівлях" для досвідчених користувачів.
What next? Future Developments

- What should be included in Phase III and subsequent phases?
  - further modules, more advanced functions
    - statistics, enhancements to notifications
    - digital submissions, more external linkages
    - advanced modules: simulations (for accessions/negotiations)
    - Web services, further enhanced reporting, analytics
  - The possibility to access, directly from the e-GPA portal, elements of information contained in procurement notices published in Parties' jurisdictions might be explored.
Summary: what we have covered

- The global context of the GPA: an emerging pillar of the global economy.
- The role of the GPA in promoting e-commerce
- The e-GPA tool and synergies with procurement monitoring through e-procurement systems.