



# Agreement on public procurement: key concepts

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## An Agreement with a limited number of participants (40 after it was joined by Taiwan, including all EU countries)

- UNCITRAL Model Law (1994)
- Identifies a transparent and predictable regime in public procurement
- Allows for discrimination among the participant countries
- Specifies the categories of contracts, their types and applicability of provisions of the Agreement to certain organizations.





The Agreement focuses on legal aspects of the public procurement system functioning, in particular:

- timely (publications about planned procurements), transparent (acceptance of all potential bidders, bid opening and contract awarding) procedures of procurement organization;
- clear rules of the procedure to appeal against decisions;
- minimum participation of the authorized procurement body;
- regulation of issues on suppliers' qualification.





### Procurement methods under the Agrrement

- The key method unlimited bidding
- Also includes selective bidding (i.e. two-stage and requests for quotations)
- Bidding with limited participation
- An important role is assigned to e-procurement (reverse electronic auctions)





### Negotiations process and thresholds to be covered by the Agreement and lists of organizations covered

- The provisions of the Agreement are applicable only to those contracts with the cost equal and exceeding the so-called thresholds (see handouts);
- Besides, the Agreement covers only those contracting organizations, which are included in a relevant Attachment by the acceding government;
- The Agreement member countries specify their commitments in relevant Annexes (there are five of them)/





#### Other issues

#### **Dispute resolution**

- Compensation is envisaged only under this Agreement

**Developing countries – specific provisions, including offsets** 

- Envisage privileges for developing countries

New version of the Agreement (2006, not adopted yet)

- Key innovations — expanded use of information technology, usage of e-auctions.





# THANK YOU FOR YOUR ATTENTION!