TRADE

Government Procurement

Agreement Between the
UNITED STATES OF AMERICA
and CANADA

Signed at Mississauga and Washington
February 11 and 12, 2010

with

Appendices
NOTE BY THE DEPARTMENT OF STATE

Pursuant to Public Law 89—497, approved July 8, 1966
(80 Stat. 271; 1 U.S.C. 113)—

“. . .the Treaties and Other International Acts Series issued
under the authority of the Secretary of State shall be competent
evidence . . . of the treaties, international agreements other than
treaties, and proclamations by the President of such treaties and
international agreements other than treaties, as the case may be,
therein contained, in all the courts of law and equity and of maritime
jurisdiction, and in all the tribunals and public offices of the
United States, and of the several States, without any further proof
or authentication thereof.”
CANADA

Trade: Government Procurement

Agreement signed at Mississauga and Washington
February 11 and 12, 2010;
With appendices.
AGREEMENT

BETWEEN

THE GOVERNMENT OF THE UNITED STATES OF AMERICA

AND

THE GOVERNMENT OF CANADA

ON GOVERNMENT PROCUREMENT
THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE
GOVERNMENT OF CANADA (hereinafter referred to as "the Parties") have agreed as follows:

PART A

Mutual Exchange Concerning Annex 2 Entities under the
WTO Agreement on Government Procurement

ARTICLE 1

Notifications to the WTO Committee on Government Procurement

A Party shall provide to the other Party, as of February 16, 2010, access for procurement
by the sub-central entities listed in its Annex 2 of Appendix I of the WTO Agreement on
Government Procurement (hereinafter "1994 GPA"). To give effect to such reciprocal access,
each Party shall submit, by February 16, 2010, a notification to the WTO Committee on
Government Procurement as provided for under Article XXIV.6(a) of the 1994 GPA, as set out
in Appendix A for Canada and in Appendix B for the United States of America (United States).
ARTICLE 2

Provincial and Territorial Compliance with 2007 Revised GPA

1. The Canadian entities listed in Canada's Annex 2 of Appendix I of the 1994 GPA shall be subject to the Revised Text of the Agreement on Government Procurement (Articles I-XXI) as at 13 November 2007 (WTO Document negs 268 (19 November 2007) (hereinafter "2007 Revised GPA")), until such time as a revised GPA enters into force for the Parties.

2. For greater certainty, the United States agrees that the entities listed in Canada's Annex 2 of Appendix I of the 1994 GPA shall not be subject to Articles I-XXIV of the 1994 GPA with respect to the United States.

3. With respect to procurement by the entities listed in Canada's Annex 2 of Appendix I of the 1994 GPA, the United States shall not resort to Article 10 of this Agreement or to dispute settlement in the World Trade Organization for a period of 12 months following the date of entry into force of this Agreement in relation to an alleged failure by Canada to comply with the 2007 Revised GPA, as provided for in paragraph 1, with respect to the following obligations of the 2007 Revised GPA:

(a) Article II:6(b) (with respect to the consideration of options in estimating the total value of the procurement) and 7 and 8 (with respect to the valuation of the estimated total value of the procurement);

(b) Article VII:2 and Article IX:4 (Content of Notices of Intended Procurement) with respect to the content of the notices, provided that the notices contain sufficient information to enable a supplier to determine its interest in a procurement and its ability to submit a responsive tender;
(c) Article IX:5, 7(b), 10 and 11 (Selective Tendering) with respect to any limitation on the number of suppliers, continuous publication of a multi-use list, right of suppliers to apply at any time for inclusion on a multi-use list, and ability of non-listed suppliers to request participation in a procurement based on a multi-use list within specified time periods;

(d) Article XI:2 through 7 (Deadlines), provided that the procuring entity provides sufficient time for suppliers to prepare and submit requests for participation and responsive tenders, but in no event less than ten days from the date of publication of the notice of intended procurement and the date for submission of tenders or requests for participation;

(e) Article XIII:2 (Report on Use of Limited Tendering), provided that the procuring entity maintains a record of each contract award using limited tendering;

(f) Article XV:2 (Treatment of Delayed Tenders), with respect to the Province of New Brunswick;

(g) Article XVI:1 (Information on Awards to Participating Suppliers) with respect to providing in writing information on the characteristics and relative advantages of the successful tender and Article XVI:2 (Publication of Award Information); and

(h) Article XVIII:7(a) (Interim Measures) with respect to all provinces and territories and Article XVIII:7(b) (Remedies) with respect to the Yukon.

ARTICLE 3

Canada’s Revised GPA Offer

Canada shall submit, by February 16, 2010, to the WTO Committee on Government Procurement in the ongoing negotiations under Article XXIV:7(b) of the 1994 GPA, a Revised
Offer in which Canada shall offer the same coverage as set out in Appendix A of this Agreement.

ARTICLE 4

Revision of United States Revised GPA Offer


ARTICLE 5

United States Administrative Steps

The United States shall, by February 16, 2010, take the necessary administrative steps to provide that section 1605(a) of the American Reinvestment and Recovery Act of 2009 shall not be applied to Canadian iron, steel, or manufactured goods in procurement covered by Annex 2 of the 1994 GPA.

PART B

Temporary Agreement on Enhanced Coverage

ARTICLE 6

Canada’s Sub-Central Coverage

1. Canada shall provide access to sub-central procurement of construction services to the United States in accordance with Appendix C of this Agreement. For greater certainty, this
includes all United States iron, steel and manufactured goods used in a construction project, unless otherwise noted.

2. This Article shall remain in force through September 30, 2011.

ARTICLE 7

United States of America Coverage

The United States shall modify its Annex 3 of Appendix I of the 1994 GPA by listing seven programs under List C and providing that, with respect to those programs, the domestic purchasing requirement of section 1605(a) of the American Reinvestment and Recovery Act of 2009 will not be applied as a condition of financing those programs with respect to Canadian iron, steel, and manufactured goods in procurement above the Annex 3 threshold for construction services through September 30, 2011. The United States shall include such modifications in its notification to the WTO Committee on Government Procurement, as set out in Appendix B to this Agreement.

ARTICLE 8

Extension

The Parties may extend the time period for the application of Articles 6 and 7 of this Agreement by mutual written consent.
PART C

Final Provisions

ARTICLE 9

Future Discussions

1. The Parties shall, within 12 months of the entry into force of this Agreement, enter into discussions to explore an agreement that would expand, on a reciprocal basis, commitments with respect to market access for government procurement.

2. Recognizing the important trade relationship between the Parties and the value of reciprocal market access in government procurement, where a Party requests expedited consultations on any matter related to government procurement, the other Party shall promptly engage in such consultations, which shall commence no later than 10 days after the request has been made.

ARTICLE 10

Consultations

1. The Parties shall at all times endeavour to agree on the interpretation and application of this Agreement, and shall make every attempt to arrive at a mutually satisfactory resolution of any matter that might affect its operation.

2. Either Party may request consultations with the other Party with respect to any matter affecting the operation or interpretation of this Agreement. If a Party requests consultations with regard to a matter, the other Party shall afford adequate opportunity for consultations and shall reply promptly to the request for consultations and enter into consultations in good faith.
3. The requesting Party may request that the other Party make available personnel of its government agencies or other regulatory bodies who have expertise in the matter subject to consultations.

4. The Parties shall make every attempt to arrive at a mutually agreeable resolution through consultations whenever a dispute arises concerning the interpretation of this Agreement or a Party considers that the other Party has failed to carry out its obligations under this Agreement.

ARTICLE 11

Appendices

Appendix A: Notification by Canada to the WTO Committee on Government Procurement Under Article XXIV:6(a) of the Agreement on Government Procurement, Appendix B: U.S. Notification to the WTO Committee on Government Procurement under Article XXIV:6(a) of the Agreement on Government Procurement, and Appendix C: Canada's Temporary Offer are an integral part of this Agreement.

ARTICLE 12

Entry into Force

This Agreement shall enter into force on February 16, 2010.
ARTICLE 13

Amendment

The Parties may amend this Agreement upon their mutual written consent.

ARTICLE 14

Termination

Either Party may terminate this Agreement by written notification to the other Party, and such termination shall take effect 30 days after the date of notification.
DONE in duplicate at Tuscaloosa on this 17th day of February 2010 and at Washington DC on this 12th day of February 2010, in the English and French languages, each version being equally authentic.

FOR THE GOVERNMENT OF THE UNITED STATES OF AMERICA

FOR THE GOVERNMENT OF CANADA
APPENDIX A

Notification by Canada to the WTO Committee on Government Procurement Under Article XXIV:6(a) of the Agreement on Government Procurement

Modification to Appendix I of Canada

Pursuant to Article XXIV:6(a) of the Agreement on Government Procurement (the "GPA"), Canada hereby notifies the Committee of modifications to Annex 2, Annex 4, Annex 5, and the General Notes to Appendix I. These modifications implement the Agreement between the Government of Canada and the Government of the United States of America on Government Procurement (the "Canada-U.S. Agreement"), which enters into force on 16 February 2010 and provides for reciprocal market access commitments at the sub-central level. These modifications will not affect the mutually agreed coverage provided to the other Parties under the GPA.

As set out in detail in the attachments to this Notification, and in accordance with the Canada-U.S. Agreement, Canada is modifying its Annex 2 to provide provincial and territorial coverage and is making consequential changes to its Annex 4, Annex 5 and General Notes of Appendix I. These changes in Canada’s sub-central market access commitments will apply to the United States and are subject to negotiation of mutually acceptable commitments (including thresholds) with other Parties.

As indicated in the Canada-U.S Agreement, Canada and the United States have agreed that the entities listed in Canada’s Annex 2 of Appendix I shall be subject to the Revised Text of the Agreement on Government Procurement (Articles I-XXI) as at 13 November 2007 (WTO Document negs 268 (19 November 2007) and WTO Document 314 negs (26 May 2009)), rather than Articles I-XXIV of the GPA, in relation to the United States.
In accordance with the Canada-U.S. Agreement, the United States will submit a parallel communication to the Committee notifying the modifications to its Annexes of Appendix I that implement its obligations under the Canada-U.S. Agreement.

Attachment A to this Notification contains the modifications to Canada’s Annexes 2, 4 and 5 and General Notes of Appendix I in red line/strike-out format. Attachment B contains a clean text version of Canada’s Annexes and General Notes of Appendix I after the modifications.
Annex 2

Sub-Central Government Entities

Thresholds: 355,000 SDRs
355,000 SDRs
5,000,000 SDRs

List of Entities:

*ALBERTA

All Ministries and Agencies (All Government Departments and Provincial Agencies, Boards, Councils, Committees and Commissions) of the Province.

This Agreement does not apply to:

Legislative Assembly
Legislative Assembly Office
Office of the Auditor General
Office of the Chief Electoral Officer
Office of the Ethics Commissioner
Office of the Information and Privacy Commissioner
Office of the Ombudsman

*BRITISH COLUMBIA

All Ministries, Boards, Commissions, Agencies and Committees of the Province.

This Agreement does not apply to the Legislative Assembly.
MANITOBA

All Departments, Boards, Commissions and Committees of the Province.

NEW BRUNSWICK

The following provincial entities are covered:

- Chief Electoral Officer
- Clerk of the Legislative Assembly
- Communications New Brunswick
- Department of Agriculture and Aquaculture
- Department of Business New Brunswick
- Department of Education
- Department of Energy
- Department of Environment
- Department of Finance
- Department of Fisheries
- Department of Health
- Department of Intergovernmental Affairs
- Department of Justice and Consumer Affairs
- Department of Local Government
- Department of Natural Resources
- Department of Post-Secondary Education, Training and Labour
- Department of Public Safety
- Department of Social Development
- Department of Supply and Services
- Department of Tourism and Parks
- Department of Transportation
NEWFOUNDLAND AND LABRADOR

All Departments of the Province

NORTHWEST TERRITORIES

All Departments and Agencies of the Territory

This Agreement does not apply to Northwest Territories contracts subject to the Northwest Territories Business Incentive Policy.

*NOVA SCOTIA

This Agreement applies to all Departments and Offices of the Province established under the Public Service Act.
This Agreement does not apply to Emergency Health Services (a division of the Department of Health) in respect to ambulance-related procurement, including telecommunications for Emergency Health Care purposes.

ONTARIO

All Ministries of the Province

The following Agencies are covered:

AgriCorp
Centennial Centre of Science and Technology (Ontario Science Centre)
Deposit Insurance Corporation of Ontario
Metropolitan Convention Centre Corporation
Niagara Parks Commission
Ontario Clean Water Agency
Ontario Financial Services Commission
Ontario Immigrant Investor Corporation
Ontario Mortgage and Housing Corporation
Ontario Mortgage Corporation
Ontario Northland Transportation Commission
Ontario Tourism Marketing Partnership Corporation
Ottawa Congress Centre
Science North

This Agreement does not apply to the procurement of:

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

(b) highway construction.
*PRINCE EDWARD ISLAND

All Departments and Agencies of the Province

This Agreement does not apply to construction materials that are used for highway construction and maintenance.

*QUÉBEC

All Ministères of the Province

The following public bodies are covered:

Agence d'évaluation des technologies et des modes d'intervention en santé
Bureau d'audiences publiques sur l'environnement
Comité de déontologie policière
Commissaire à la déontologie policière
Commissaire à la santé et au bien-être
Commission consultative de l'enseignement privé
Commission d'accès à l'information
Commission d'évaluation de l'enseignement collégial
Commission de l'équité salariale
Commission de la fonction publique
Commission de protection du territoire agricole du Québec
Commission de toponymie
Commission des biens culturels du Québec
Commission des droits de la personne et des droits de la jeunesse
This Agreement does not apply to procurement:

(a) of cultural or artistic goods and services or to any measure adopted or maintained with respect to culture or cultural industries;
(b) of seedling production;

(c) for work to be performed on property by a contractor according to provisions of a warranty or guarantee held in respect of the property or the original work;

(d) of construction-grade steel (including requirements on subcontracts); and

(e) from a non-profit organization.

*SASKATCHEWAN*

All Departments of the Province

The following Boards and Agencies are covered:
Public Employee Benefits Agency
Saskatchewan Archives Board
Saskatchewan Arts Board

This Agreement does not apply to Legislative Branch Entities.

*YUKON*

All Departments and Agencies of the Territory

Notes to Annex 2

1. This Agreement does not apply to preferences or restrictions on highway projects.
2. This Agreement does not apply to preferences or restrictions associated with programs promoting the development of distressed areas.

3. This Agreement does not apply to procurement that is intended to contribute to economic development within the provinces or territories of Manitoba, Newfoundland and Labrador, New Brunswick, Prince Edward Island, Nova Scotia, Yukon or Northwest Territories.

4. This Agreement does not apply to any measure adopted or maintained with respect to Aboriginal peoples. It does not affect existing aboriginal or treaty rights of any of the Aboriginal peoples of Canada under section 35 of the Constitution Act, 1982.

5. For those provinces and territories marked by an asterisk, this Agreement does not apply to procurement:

   (a) of goods purchased for representational or promotional purposes; or

   (b) services or construction purchased for representational or promotional purposes outside the province or territory.

6. Except for Ontario and Quebec, this Agreement does not apply to the procurement of goods, services or construction purchased for the benefit of, or which is to be transferred to the authority of, school boards or their functional equivalents, publicly-funded academic institutions, social services entities or hospitals.

7. Nothing in this Agreement shall be construed to prevent any provincial or territorial entity from applying restrictions that promote the general environmental quality in that province or territory, as long as such restrictions are not disguised barriers to international trade.

8. This Agreement does not apply to any procurement made by a covered entity on behalf of a non-covered entity.
9. This Agreement does not apply to Crown Corporations of the provinces and territories.

10. The positive list of goods listed in Annex 1 for the Department of National Defence, Coast Guard and the Royal Canadian Mounted Police also applies to procurement by provincial police forces at the goods threshold applicable to this Annex.

11. The entities covered by this annex shall be subject to the Revised Text of the Agreement on Government Procurement (Articles I-XXI) as at 13 November 2007 (WTO Document negs 268, 19 November 2007), rather than Articles I-XXIV of this Agreement in relation to the United States until a revised Agreement on Government Procurement enters into force.

12. The General Notes apply to this Annex.
Annex 4

Services

Canada offers to include in this "Services" Annex Federal entities listed under Annex 1, sub-central entities listed in Annex 2, and Federal enterprises listed under Annex 3. The inclusion of "Services" for sub-central enterprises under Annex 3 are to be specified initially on or before 15 April 1994 with the final list to be provided within eighteen months after the conclusion of the new Government Procurement Agreement. With respect to the terms of this Agreement, those services to be included are as identified within the document MTN.GNS/W/120. Domestically, Canada will be utilizing the "Common Classification System" for purposes of implementing this Agreement. This list of services may be revised following further technical work among the Parties and adjustments, as appropriate, to establish equitable coverage.

Canada offers to cover the following services for federal entities listed in Annex 1 and federal enterprises listed in Annex 3, with respect to the CPC services classification system:

861 Legal Services (advisory services on foreign and international law only)
862 Accounting, auditing and book-keeping services
863 Taxation Services (excluding legal services)
8671 Architectural services
8672 Engineering services
8673 Integrated engineering services (excluding 86731 Integrated engineering services for transportation infrastructure turnkey projects)
Canada offers to cover the following services for federal entities listed in Annex 1, for sub-central government entities listed in Annex 2, and federal enterprises listed in Annex 3, with respect to the CPC services classification system:

8674 Urban planning and landscape architectural services

841 Consultancy services related to the installation of computer hardware

842 Software implementation services, including systems and software consulting services, systems analysis, design, programming and maintenance services

843 Data processing services, including processing, tabulation and facilities management services

844 Data base services

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

849 Other computer services

821 Real estate services involving own or leased property

822 Real estate services on a fee or contract basis

83106 to 83109 only Leasing or rental services concerning machinery and equipment without operator
83203

83203 to 83209 only Leasing or rental services concerning personal and household goods

86501 General management consulting services

86504 Human resources management consulting services

86505 Production management consulting services

8660 Services related to management consulting (except 86602 Arbitration and conciliation services)

8676 Technical testing and analysis services including quality control and inspection (except with reference to FSC 58 and transportation equipment)

8814 Services incidental to forestry and logging, including forest management

883 Services incidental to mining, including drilling and field services

633 Repair services of personal and household goods

8861 to 8864, and 8866 Repair services incidental to metal products, machinery and equipment

874 Building-cleaning services

876 Packaging services

7512 Commercial courier services (including multi-modal)
Electronic mail

Voice mail

On-line information and data base retrieval

Electronic data interchange (EDI)

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

Code and protocol conversion

On-line information and/or data processing (including transaction processing)

Sewage and refuse disposal, sanitation and similar services

Hotel and similar accommodation services

Food and beverage serving services

Travel agency and tour operator services

Notes to Annex 4

1. The General Notes apply to this Annex.

2. This offer is subject to the terms and conditions set out in the Canadian offer on trade in services.
3. Canada's offer in telecommunications is limited to enhanced or value added services for the supply of which the underlying telecommunications facilities are leased from providers of public telecommunications transport networks.

4. The Canadian offer does **not** include the following:

   * management and operation contracts of certain government or privately-owned facilities used for government purposes, including federally-funded research and development;

   * coin minting;

   * public utilities;

   * architectural and engineering related to airfield, communications and missile facilities;

   * shipbuilding and repair and related architectural and engineering services;

   * all services, with reference to those goods purchased by the Department of National Defence, the Royal Canadian Mounted Police, the Canadian Coast Guard and provincial police forces which are not identified as subject to coverage by this agreement;

   * services procured in support of military forces located overseas;

   * printing and publishing services; and,

   * procurement of transportation services that form a part of, or are incidental to, a procurement contract.
Annex 5

Construction Services

Canada offers to include in this "Construction Services" Annex, Federal entities listed under Annex 1, sub-central entities listed under Annex 2 and Federal enterprises listed under Annex 3. The inclusion of "Construction Services" for sub-central enterprises under Annex 3 are to be specified initially on or before 15 April 1994 with the final list to be provided within eighteen months after the conclusion of the new government procurement agreement.

Definition:

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

List of Division 51, CPC:

All services contained in Division 51 CPC.

Notes to Annex 5

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

(a) Dredging; and

(b) Construction contracts tendered on behalf of the federal Department of Transport.
2. The General Notes apply to this Annex.
1. Notwithstanding anything in these Annexes, the Agreement does not apply to procurements in respect of:

(a) shipbuilding and repair;

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

(c) contracts respecting FSC 58 (communications, detection and coherent radiation equipment);

(d) set-asides for small and minority businesses;

(e) agricultural products made in furtherance of agricultural support programs or human feeding programs;

(f) national security exemptions include oil purchases related to any strategic reserve requirements; and,

(g) national security exceptions including procurements made in support of safeguarding nuclear materials or technology.

2. Procurement in terms of Canadian coverage is defined as contractual transactions to acquire property or services for the direct benefit or use of the government. The procurement process is the process that begins after an entity has decided on its requirement and continues through to and including contract award. It does not include non-contractual agreements or any form of government assistance, including but not limited to, cooperative agreements, grants, loans, equity infusions, guarantees, fiscal incentives, and government provision of goods and
services, given to individuals, firms, private institutions, and sub-central governments. It does not include procurements made with a view to commercial resale or made by one entity or enterprise from another entity or enterprise of Canada.

3. Any exclusion that is related either specifically or generally to Federal or sub-central entities or enterprises in Annex 1, Annex 2 or Annex 3 will also apply to any successor entity or entities, enterprise or enterprises, in such a manner as to maintain the value of this offer.

4. Until such time as there is a mutually agreed list of services to be covered by all Parties, a service listed in Annex 4 is covered with respect to a particular Party only to the extent that such Party has provided reciprocal access to that service.

5. Where a contract to be awarded by an entity is not covered by this Agreement, this Agreement shall not be construed to cover any good or service component of that contract.

6. With the exception of the United States of America, the offer by Canada with respect to goods and services (including construction) in Annex 2 is subject to negotiation of mutually acceptable commitments (including thresholds) with other Parties.

7. The offer by Canada, with respect to goods and services (including construction) in Annex 3, is subject to negotiation of mutually acceptable commitments (including thresholds) with other Parties, with initial commitments to be specified on or before 15 April 1994 and specific commitments to be confirmed within eighteen months after the conclusion of the new Government Procurement Agreement.

8. The Agreement shall not apply to contracts under an international agreement and intended for the joint implementation or exploitation of a project.
9. For the European Union, Canada's offer excludes procurements of FSC 70, 74 and 36 until such time as reciprocal access is provided.

10. For the European Union, this Agreement shall not apply to contracts awarded by entities in Annexes 1 and 2 in connection with activities in the field of drinking water, energy, transport or telecommunications.
APPENDIX B

U.S. Notification to the WTO Committee on Government Procurement under Article XXIV:6(a) of the Agreement on Government Procurement

MODIFICATION TO APPENDIX I
OF THE UNITED STATES

Pursuant to Article XXIV:6(a) of the Agreement on Government Procurement (the “GPA”), the United States notifies the Committee of modifications to its General Notes and Annex 3 of Appendix I. These modifications implement an Agreement between the Government of Canada and the Government of the United States of America on Government Procurement (hereinafter “Canada-U.S. Agreement”), which enters into force on February 16, 2010. It provides for reciprocal market access opportunities at the sub-central level. These modifications will not affect the mutually agreed coverage provided to the other Parties under the GPA. The modifications are:

1. **Modification to Note 5 of General Notes in Appendix I:** Based on the Canada-U.S. Agreement, the condition set out in Note 5 of the U.S. General Notes with respect to Annex 2 of Appendix I of the GPA has been met. Therefore, the United States is amending Note 5 to remove the non-application of its coverage in Annex 2 to Canada.

2. **Modifications to Annex 3 of Appendix I:** Based on the Canada-U.S. Agreement, the United States is modifying Annex 3 by adding seven programs under List C and providing that with respect to those programs, the domestic purchasing requirement of section 1605(a) of the American Recovery and Reinvestment Act of 2009 (ARRA) will not be applied as a condition of ARRA financing of those programs with respect to Canadian iron, steel, or manufactured goods in procurement above the Annex 3 threshold for construction services. The United States is not undertaking any other commitments with respect to those programs. These modifications will apply to Canada and are subject to negotiation of mutually acceptable commitments with other Parties.
In accordance with the Canada-U.S. Agreement, Canada will submit to the Committee a parallel communication notifying the modifications to Appendix I that implement its obligations under the Canada-U.S. Agreement.

Attachment A to this document contains the modifications to U.S. General Note 5 and Annex 3 of Appendix I in red-line/strikeout form. Attachment B contains a clean text version of the U.S. General Notes and Annex 3 after the modifications.
ATTACHMENT A

GENERAL NOTES

1. Notwithstanding the above, this Agreement will not apply to set asides on behalf of small and minority businesses.

2. Except as specified otherwise in this Appendix, procurement in terms of U.S. coverage does not include non-contractual agreements or any form of government assistance, including cooperative agreements, grants, loans, equity infusions, guarantees, fiscal incentives, and governmental provision of goods and services to persons or governmental authorities not specifically covered under U.S. annexes to this agreement.

3. Procurement does not include the acquisition of fiscal agency or depository services, liquidation and management services for regulated financial institutions, and sale and distribution services for government debt.

4. Where a contract to be awarded by an entity is not covered by this Agreement, this Agreement shall not be construed to cover any good or service component of that contract.

5. For goods and services (including construction) of the following countries and suppliers of such goods and services, this Agreement does not apply to procurement by the entities listed in Lists A and B in Annexes 2 and 3 or the waiver described in List B in Annex 3:

   Canada

The United States is prepared to amend this note at such time as coverage with respect to these in Annexes 3 can be resolved with a Party listed above.
6. For construction services of the Republic of Korea and suppliers of such services, this Agreement applies only to procurement of the entities listed in Annexes 2 and 3 above a threshold of 15 million SDRs.

7. For goods and services (including construction) of Japan and suppliers of such goods and services, this Agreement does not apply to procurement by the National Aeronautics and Space Administration.

8. A service listed in Annex 4 is covered with respect to a particular Party only to the extent that such Party has included that service in its Annex 4.

9. The United States will not extend the benefits of this Agreement to Japan as regards the award of contracts by entities listed in Annex 3 that are responsible for the generation or distribution of electricity.
ANNEX 3

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

Threshold: 400,000 SDRs for supplies and services (except as specified below)
            5 million SDRs for construction

List of Entities:

List A: The following entities at the SDR equivalent of $250,000 for supplies and services:

Tennessee Valley Authority
Power Marketing Administrations of the Department of Energy
    - Bonneville Power Administration
    - Western Area Power Administration
    - Southeastern Power Administration
    - Southwestern Power Administration
    - St. Lawrence Seaway Development Corporation

List B: The following entities are 400,000 SDRs for supplies and services:

The Port Authority of New York and New Jersey with the following exceptions:

- Maintenance, repair and operating materials and supplies (e.g., hardware, tools, lamps/lighting, plumbing);

- In exceptional cases, individual procurements may require certain regional production of goods if authorized by the Board of Directors;
- Procurements pursuant to multi-jurisdictional agreement (i.e., for contracts which have initially been awarded by other jurisdictions).

The Port of Baltimore (subject to the conditions specified for the state of New York in Annex 2)

The New York Power Authority (subject to the conditions specified for the state of New York in Annex 2)

Rural Utilities Service Financing:

(1) waiver of Buy American restriction on financing for all power generation projects (restrictions on financing for telecommunication projects are excluded from the Agreement);

(2) application of Code-equivalent procurement procedures and national treatment to funded projects exceeding the thresholds specified above.

List C

1. U.S. Department of Agriculture, Rural Utilities Services, Water and Waste Disposal Programs (Note 3)

2. U.S. Department of Agriculture, Rural Housing Service, Community Facilities Program (Note 3)


5. U. S. Department of Housing and Urban Development, Office of Community Planning and Planning and Development, *Community Development Block Grants Recovery (CDBG-R)* (Note 3)


7. U.S. Environmental Protection Agency, *Clean Water and Drinking Water State Revolving Funds*, for projects funded by reallocated ARRA funds where the contracts are signed after February 17, 2010 (Note 3)

**Notes to Annex 3**

1. With respect to these entities, the Agreement shall not apply to restrictions attached to Federal funds for airport projects.

2. The conditions specified in the General Notes apply to this Annex.

3. For the programs listed in List C, entities shall not impose, through September 30, 2011, the domestic purchasing requirement of section 1605(a) of the *American Recovery and Reinvestment Act of 2009* (ARRA) as a condition of ARRA financing of those programs with respect to Canadian iron, steel, or manufactured goods in procurement above the threshold for construction applicable to this Annex. The United States undertakes no other commitments with respect to these programs.

4. The United States is prepared to amend Note 3 to apply the commitments therein to any other GPA Party's iron, steel, or manufactured goods, subject to the negotiation of mutually acceptable commitments.
APPENDIX C

Part A — Core Principles

Scope and Coverage

1. For the purposes of this Appendix, covered procurement means procurement for government purposes:

   (a) of construction services:

      (i) as specified in Part B — Market Access; and

      (ii) not procured with a view to commercial sale or resale, or for use in the production or supply of goods or services for commercial sale or resale;

   (b) by any contractual means, including: purchase; lease; and rental or hire purchase, with or without an option to buy; and

   (c) for which the value equals or exceeds the relevant threshold specified in Part B — Market Access at the time of publication of a tender notice.

2. This Appendix does not apply to:

   (a) procurement of construction services:

      (i) purchased on behalf of an entity not covered by this Appendix; or
(ii) purchased by entities which operate sporting or convention facilities in order to comply with a commercial agreement with an entity not covered by this Appendix that contains provisions incompatible with this Appendix;

(b) procurement made by an entity or state enterprise from another entity or state enterprise of any level of government or a non-profit organization;

(c) procurement of construction services for representational or promotional purposes outside of a province or territory;

(d) non-contractual agreements or any form of assistance that a Province or Territory provides, including cooperative agreements, grants, loans, equity infusions, guarantees and fiscal incentives;

(e) the acquisition or rental of land, existing buildings, or other immovable property or the rights thereon; or

(f) procurement funded by international grants, loans or other assistance where the applicable procedure or condition would be inconsistent with this Appendix.

**General Exceptions**

3. Subject to the requirement that such measures are not applied in a manner that would constitute a means of arbitrary or unjustifiable discrimination where the same conditions prevail or disguised restriction on international trade, nothing in this Appendix will be construed to prevent Provinces and Territories from imposing or enforcing measures *inter alia*:

(a) necessary to protect public morals, order or safety;

(b) necessary to protect human, animal or plant life or health;
(c) 

necessary to protect intellectual property; or

(d) 

relating to construction services of persons with disabilities, philanthropic institutions or prison labour.

National Treatment and Non-Discrimination

4. With respect to any measure regarding covered procurement, provinces and territories will accord immediately and unconditionally to the goods and services of the United States that are included in a procurement of construction services and to the suppliers of the United States offering such goods or services that are included in a procurement of construction services, treatment no less favourable than the treatment provinces and territories accords to domestic goods, services and suppliers.

5. With respect to any measure regarding covered procurement, provinces and territories will not:

   (a) 
   
treat a locally established supplier less favourably than another locally established supplier on the basis of the degree of U.S. affiliation or ownership; or

   (b) 
   
discriminate against a locally established supplier on the basis that the goods or services offered by that supplier for a particular procurement of construction services are goods or services of the United States.

6. With regard to covered procurement, provinces and territories will not seek, take account of, impose or enforce any offset.
Transparency

7. Provinces and territories will ensure that their legislation, regulations, procedures, guidelines and administrative rulings as they apply to matters covered by this Appendix are made readily accessible.

8. Procuring entities covered by this Appendix will issue an open competitive solicitation for a covered procurement and will publish a tender notice with at least the following information:

(a) a brief description of the procurement contemplated;

(b) the place where a person may obtain information and tender documents;

(c) the conditions for obtaining the tender documents;

(d) the place where the tenders are to be sent;

(e) the date and time limit for submitting tenders, which will not be less than 10 days; and

(f) the time and place of the opening of the tenders in the event of a public opening.

9. A procuring entity may use procurement procedures other than open competitive solicitations described in paragraph 8 in the following circumstances, provided that it does not do so for the purpose of avoiding competition between suppliers or in order to discriminate against suppliers:

(a) to ensure compatibility with existing products, to recognize exclusive rights, such as exclusive licenses, copyright and patent rights, or to maintain specialized products that must be maintained by the manufacturer or its representative;
(b) where there is an absence of competition for technical reasons and the construction services can be supplied only by a particular supplier and no alternative or substitute exists;

(c) for a contract to be awarded to the winner of a design contest;

(d) for the procurement of a prototype or a first construction service to be developed in the course of and for a particular contract for research, experiment, study or original development, but not for any subsequent purchases;

(e) for the purchase of goods under exceptionally advantageous circumstances such as bankruptcy or receivership, but not for routine purchases;

(f) where an unforeseeable situation of urgency exists and the construction service cannot be obtained in time by means of competitive procurement procedures;

(g) where goods or consulting services regarding matters of a confidential or privileged nature are to be purchased and the disclosure of those matters through a competitive tendering process could reasonably be expected to compromise government confidentiality, cause economic disruption or otherwise be contrary to the public interest;

(h) in the absence of a receipt of any bids in response to a call for tenders;

(i) for the procurement of original works of art; or

(j) for work to be performed on property by a contractor according to provisions of a warranty or guarantee held in respect of the property or the original work.
10. Procuring entities will not prepare, adopt or apply any technical specification or prescribe any conformity assessment procedure with the purpose or the effect of creating unnecessary obstacles to international trade.

11. In prescribing the technical specifications for the construction services being procured, procuring entities will, where appropriate:

   (a) set out the technical specification in terms of performance and functional requirements, rather than design or descriptive characteristics; and

   (b) base the technical specification on international standards, where such exist; otherwise, on national technical regulations, recognized national standards or building codes.

12. Where design or descriptive characteristics are used in the technical specifications, procuring entities will indicate, where appropriate, that it will consider tenders of equivalent goods or services that demonstrably fulfil the requirements of the procurement by including words such as "or equivalent" in the tender documentation.

13. Procuring entities will not prescribe technical specifications that require or refer to a particular trademark or trade name, patent, copyright, design, type, specific origin, producer or supplier, unless there is no other sufficiently precise or intelligible way of describing the procurement requirements and provided that, in such cases, the entity includes words such as "or equivalent" in the tender documentation.

14. Procuring entities will not seek or accept, in a manner that would have the effect of precluding competition, advice that may be used in the preparation or adoption of any technical specification for a specific procurement from a person that may have a commercial interest in the procurement.
15. For greater certainty, this Appendix is not intended to preclude a procuring entity from preparing, adopting, or applying technical specifications:

(a) to promote the conservation of natural resources or protect the environment; or

(b) to require a supplier to comply with generally applicable laws regarding

(i) fundamental principles and rights at work; and

(ii) acceptable conditions of work with respect to minimum wages, hours of work, and occupational safety and health,

in the country in which the construction service is performed.

**Domestic Review**

16. Provinces and territories will provide a timely, effective, transparent and non-discriminatory administrative or judicial review procedure through which a U.S. supplier may challenge a covered procurement for failure to conduct a covered procurement in accordance with this Appendix, in which the U.S. supplier has an interest.

17. In the event of a complaint by a U.S. supplier, arising in the context of covered procurement in which the U.S. supplier has an interest that there has been a failure as referred to in paragraph 16, procuring entities conducting the procurement are encouraged to seek resolution of the complaint through consultations. Procuring entities will accord impartial and timely consideration to any such complaint in a manner that is not prejudicial to the U.S. supplier's participation in ongoing or future procurement or its right to seek corrective measures under the administrative or judicial review procedure.
18. Each U.S. supplier will be allowed a sufficient period of time to prepare and submit a challenge, which in no case should be less than 10 days from the time when the basis of the challenge became known or reasonably should have become known to the U.S. supplier.

19. Each province and territory will establish or designate at least one impartial administrative or judicial authority that is independent of its procuring entities to receive and review a challenge by a U.S. supplier arising in the context of a covered procurement.

20. Where a body other than an authority referred to in paragraph 19 initially reviews a challenge, the province or the territory will ensure that the U.S. supplier may appeal the initial decision to an impartial administrative or judicial authority that is independent of the procuring entity whose procurement is the subject of the challenge.

21. Each province and territory will ensure that a review body that is not a court shall have its decision subject to judicial review or have procedures that provide that:

(a) the procuring entity will respond in writing to the challenge and disclose all relevant documents to the review body;

(b) the participants will have access to all proceedings;

(c) the review body will make its decisions or recommendations in a timely fashion, in writing, and will include an explanation of the basis for each decision or recommendation.

22. Each province and territory will adopt or maintain procedures that provide for:
(a) rapid interim measures to preserve the U.S. supplier's opportunity to participate in the procurement. Such interim measures may result in suspension of the procurement process. The procedures may provide that overriding adverse consequences for the interests concerned, including the public interest, may be taken into account when deciding whether such measures should be applied. Just cause for not acting shall be provided in writing; or

(b) where a review body has determined that there has been a failure as referred to in paragraph 16, corrective action or compensation, where such compensation may be limited to either the costs for the preparation of the tender or the costs relating to the challenge, or both.

Definitions

23. For the purposes of this Appendix:

construction services means a contract which has as its objective the realization by whatever means of civil or building works, in the sense of Division 51 of the Central Product Classification. For greater certainty, this includes all U.S. iron, steel and manufactured goods used in a construction project, unless otherwise noted.

offset means any condition or undertaking that encourages local development such as the use of domestic content, the licensing of technology, investment, counter-trade and similar action or requirement;
procuring entities or procuring entity means an entity not otherwise excluded from Part B – Market Access.

technical specification means a tendering requirement that:

(i) lays down the characteristics of goods or services to be used in construction services to be procured, including quality, performance, safety and dimensions, or the processes and methods for their production or provision; or

(ii) addresses terminology, symbols, packaging, marking or labelling requirements, as they apply to a good or service to be used in construction services.
Part B – Market Access

Provincial and Territorial Agencies, Crown Corporations and Municipalities as specified below:

Thresholds: $ Cdn 8,500,000 for construction

Construction Services Covered by this Appendix

Construction

All services contained in Division 51 of the Central Product Classification except dredging. For greater certainty, this includes all U.S. iron, steel and manufactured goods used in a construction project, unless otherwise noted.

General exclusions

1. This Appendix does not apply to procurements in respect of shipbuilding and repair.

2. This Appendix does not apply to any measure adopted or maintained with respect to Aboriginal peoples. It does not affect existing aboriginal or treaty rights of any of the Aboriginal peoples of Canada under section 35 of the Constitution Act, 1982.

3. This Appendix does not apply to restrictions comparable to any new preferential procurement measure that may be introduced by any state and local government of the United States after the entry into force of this Appendix.

4. Except for Quebec and Ontario, this Appendix does not apply to the procurement of construction purchased for the benefit of, or which is to be transferred to the authority of school
boards or their functional equivalent, publicly-funded academic institutions, social services entities or hospitals.

5. This Appendix does not apply to preferences or restrictions associated with programs promoting the development of distressed areas.

6. This Appendix does not apply to procurement that is intended to contribute to economic development within the provinces or territories of Newfoundland and Labrador, New Brunswick, Prince Edward Island, Nova Scotia, Yukon or Northwest Territories.
Procuring Entities Covered By This Appendix

ALBERTA

All Crown Corporations are covered except:

Credit Union Deposit Guarantee Corporation
Alberta Investment Management Corporation
Alberta Treasury Branches (operating as ATB Financial)
Alberta Capital Finance Authority
Alberta Pensions Administration Corporation
Alberta Local Authorities Pension Plan Corporation
Travel Alberta
Alberta Gaming and Liquor Commission
Agriculture Financial Services Corporation
Alberta Research Council Inc.
iCORE Inc. (informatics Circle of Research Excellence)
Safety Codes Council

The following municipalities are covered:

Calgary
Edmonton
Red Deer
Strathcona County (Sherwood Park and surroundings)
Lethbridge
St. Albert
Medicine Hat
Municipal District of Wood Buffalo (Fort McMurray and surroundings)
BRITISH COLUMBIA

All Crown Corporations and all municipalities are covered.

MANITOBA

All Crown Corporations are covered except:

Manitoba Hydro-Electric Board
Manitoba Public Insurance Corporation
Venture Manitoba Tours Limited

The following municipality is covered:

Winnipeg

NEW BRUNSWICK

The following municipalities are covered:

Fredericton
Moncton
Saint John

NEWFOUNDLAND AND LABRADOR

All municipalities are covered.

All Crown Corporations are covered except:
Nalcor subsidiaries or affiliates as stated below and any and all subsidiaries and affiliates of such companies that may be created in the future:

Nalcor Energy
Newfoundland and Labrador Hydro
Churchill Falls (Labrador) Corporation Limited
Nalcor Energy - Oil and Gas Inc.
Nalcor Energy - Bull Arm Fabrication Inc.
Twin Falls Power Corporation Limited
Gull Island Power Company Limited
Lower Churchill Development Corporation Limited

Research & Development Corporation of Newfoundland and Labrador and any subsidiary.

NORTHWEST TERRITORIES

All territorial Crown Corporations and all municipalities are covered.

This Appendix does not apply to Northwest Territories contracts which exceed the thresholds and which are subject to the Northwest Territories Business Incentive Policy.

NOVA SCOTIA

This Appendix applies to entities performing regulatory, advisory and quasi-judicial functions and to all governmental units designated under the Governmental Unit and Government Business Enterprise Designations Regulations made under the Provincial Finance Act except:

Academic Institutions
School Boards
Health Authorities
Social Services Entities
NS Pension Agency
Housing Authorities
NS Lands Inc. and related entities:
Sydney Environmental Resources Limited
Sydney Tar Ponds Agency
Harbourside Commercial Park

This Appendix applies to all government business enterprises designated under the
Governmental Unit and Government Business Enterprise Designations Regulations made under
the Provincial Finance Act except:

Atlantic Lottery Corporation
Inter-provincial Lottery Corporation
NS Liquor Corporation

The following municipality is covered:

Halifax Regional Municipality

NUNAVUT

All territorial entities and municipalities are covered.

This Appendix does not apply to contracts awarded under Nunavut’s Nunavummi

ONTARIO

All provincial agencies are covered except:
1) The following agencies:

All cultural, educational and hospital agencies, and university foundations
Metrolinx (GO Transit and the Greater Toronto Transity Authority)
Hydro One and its affiliates and subsidiaries
Independent Electricity System Operator and its affiliates and subsidiaries
Infrastructure Ontario Projects Corporation
Ontario Educational Commission Authority (TV Ontario)
L’Office des télécommunications éducatives de la langue française de l’Ontario
Ontario Electricity Financial Corporation
Ontario Power Authority and its affiliates and subsidiaries
Ontario Power Generation and its affiliates and subsidiaries
Ontario Energy Board
Toronto Waterfront Corporation

2) Ministries and the following agencies covered under the WTO Agreement on Government Procurement:

AgriCorp
Centennial Centre of Science and Technology (Ontario Science Centre)
Deposit Insurance Corporation of Ontario
Metropolitan Convention Centre Corporation
Niagara Parks Commission
Ontario Clean Water Agency
Financial Service Commission of Ontario
Ontario Immigrant Investor Corporation
Ontario Mortgage and Housing Corporation
Ontario Mortgage Corporation
Ontario Northland Transportation Commission
Ontario Tourism Marketing Partnership Corporation
Ottawa Congress Centre
Science North

The following municipalities are covered:

Ajax
Barrie
Brampton
Brantford
Burlington
Caledon
Cambridge
Chatham-Kent
Clarington
Greater Sudbury/Grand Sudbury
Guelph
Halton Hills
Hamilton
Kawartha Lakes
Kingston
Kitchener
London
Markham
Milton
Mississauga
Newmarket
Niagara Falls
Norfolk County
North Bay
Oakville
Oshawa
Ottawa
Peterborough
Pickering
Regional Municipality of Durham
Regional Municipality of Halton
Regional Municipality of Niagara
Regional Municipality of Peel
Regional Municipality of Waterloo
Regional Municipality of York
Richmond Hill
Sarnia
Sault Ste. Marie
St. Catherines
Thunder Bay
Toronto
Vaughan
Waterloo
Whitby
Windsor

This Appendix does not apply to municipal cultural agencies, or to local electricity distributing companies owned in whole or in part by municipalities.

This Appendix does not apply to restrictions attached to funds for mass transit and highway projects.
PRINCE EDWARD ISLAND

All Crown Corporations are covered except:

Innovation PEI.

The following municipality is covered:

Charlottetown

This Appendix does not apply to construction materials that are used for highway construction and maintenance.

QUÉBEC

The following public bodies are covered:

Agence de l’efficacité énergétique
Autorité des marchés financiers
Bibliothèque et Archives nationales du Québec
Bureau de décision et de révision en valeurs mobilières
Centre de services partagés du Québec
Commission administrative des régimes de retraite et d’assurances
Commission de la capitale nationale du Québec
Commission de la construction du Québec
Commission de la qualité de l’environnement Kativik
Commission de la santé et de la sécurité du travail
Commission de reconnaissance des associations d’artistes et des associations de producteurs
Commission des lésions professionnelles
Commission des normes du travail
Commission des relations du travail
Commission des services juridiques
Conseil Cris-Québec sur la foresterie
Conseil de gestion de l’assurance parentale
Conseil des arts et des lettres du Québec
Conservatoire de musique et d’art dramatique du Québec
Corporation d’urgence-santé
École nationale de police du Québec
École nationale des pompiers du Québec
Financement-Québec
Fondation de la faune du Québec
Fonds d'aide aux recours collectifs
Fonds d'assurance-prêts agricoles et forestiers
Fonds de la recherche en santé du Québec
Fonds québécois de la recherche sur la nature et les technologies
Fonds québécois de la recherche sur la société et la culture
Immobilière SHQ
Institut de la statistique du Québec
Institut de tourisme et d’hôtellerie du Québec
Institut national de santé publique du Québec
Investissement Québec
La Financière agricole du Québec
Musée d’Art contemporain de Montréal
Musée de la Civilisation
Musée national des beaux-arts du Québec
Office des professions du Québec
Office Québec-Amériques pour la jeunesse
Régie de l'assurance-maladie du Québec
Régie de l’énergie
Régie des rentes du Québec
Régie du bâtiment du Québec
Régie du cinéma
Services Québec
Société de développement des entreprises culturelles
Société de la Place des Arts de Montréal
Société de l'assurance automobile du Québec
Société des Traversiers du Québec
Société d'habitation du Québec
Société du Grand Théâtre de Québec
Société immobilière du Québec
Société québécoise d'assainissement des eaux
Tribunal administratif du Québec
Centre de recherche industriel du Québec
Régie des installations olympiques
Société des alcools du Québec
Société des loteries du Québec
Société du Centre des congrès de Québec
Société du Palais des congrès de Montréal
Société du parc industriel et portuaire de Bécancour
Société Innovatech Québec et Chaudière-Appalaches
Société québécoise de récupération et de recyclage (Recyc-Québec)
Société québécoise d'information juridique

The following municipalities are covered:

Montréal
Québec
Laval
Gatineau
Longueuil
Sherbrooke
Saguenay
Québec retains the right to impose restrictions comparable to those used by the federal or sub-federal governments of the United States, in the area of mass transit and highway projects, where US procurement practices discriminate against Québécois suppliers, goods and services.

This Appendix does not apply to procurement of cultural or artistic goods and services or to any measure adopted or maintained with respect to culture or cultural industries.

This Appendix does not apply to procurement of seedling production.

SASKATCHEWAN

All Crown Corporations are covered except:

Treasury Board Crowns

Prairie Agricultural Machinery Institute
Saskatchewan Research Council
Workers' Compensation Board (Saskatchewan)
Workers' Compensation Superannuation Board
Government Enterprises (CIC Crowns)

SaskEnergy Incorporated
Saskatchewan Government Growth Fund Management Corporation
Saskatchewan Gaming Corporation
Saskatchewan Government Insurance
Saskatchewan Opportunities Corporation
Saskatchewan Power Corporation
Saskatchewan Telecommunications
Saskatchewan Transportation Company

The following municipalities are covered:

City of Regina
City of Saskatoon

YUKON

All Crown Corporations are covered except:

Yukon Development Corporation
Yukon Energy Corporation

The following municipality is covered:

Whitehorse