

WTO Agreement on Government Procurement (GPA)

The World Trade Organisation's (WTO) first Government Procurement Agreement (GPA) was signed in 1979. Finland has been a party to the GPA from the beginning. The revised GPA entered into force on 6 April 2014.

The parties to the GPA have agreed on common rules on public procurement and brought their national legislation in line with the Agreement. The GPA is based on the principle of non-discrimination.

Parties to the GPA have agreed to open up public contracts over a certain threshold to tenderers from other participating countries, ensuring that they receive the same treatment as domestic suppliers. The GPA lays down provisions concerning several areas, such as thresholds, procurement practices, time limits, transparency of procedures, appeal procedures and responsibilities relating to the disclosure of statistical data.

The revised GPA covers over 200 new contracting authorities. Depending on the country, they include ministries, agencies and other institutions. In many respects, the commitments will also concern regional and local administration. The scope has been expanded to cover new supply and service contracts. The Agreement also covers construction works and, as a new area, concessions.

The revised GPA also allows for the use of electronic auctions in public procurement. An electronic auction means a real-time competitive bidding procedure that takes place online. Moreover, the opportunities of enterprises are improved by introducing in each country a single, electronic database that contains all contract notices published by the different contracting authorities in the country. The database is free of charge. The revised provisions also make it easier for new countries to accede to the GPA. The parties to the GPA include the European Union, Liechtenstein, Norway, the United States, Hong Kong (China), Iceland, Singapore and Israel.

The GPA facilitates market access for Finnish companies, enabling them to better compete for public contracts in the other countries that have signed the Agreement. The revised GPA opens up the public procurement markets of the GPA countries, providing new opportunities worth an estimated EUR 100 billion a year.

The Agreement text and further information on the World Trade Organisation's regulations concerning public procurement are available on the WTO website.