

CHAPTER FOURTEEN

GOVERNMENT PROCUREMENT

Article 14.1: Objectives

The Parties affirm their interest in further expanding bilateral trading opportunities in each Party's government procurement market.

Article 14.2: Existing Rights and Obligations

1. The Parties affirm their rights and obligations under the GPA.
2. This Chapter is not to be construed to derogate from any rights or obligations of the Parties under the GPA.

Article 14.3: Scope

1. This Chapter incorporates by reference the rights and obligations as listed in the Annex to the WTO Protocol Amending the GPA (hereinafter referred to as the "revised GPA"), with the exception of Articles V and XVIII through XXII. These rights and obligations apply *mutatis mutandis* to the procurement covered by Annexes 14-A through 14-G.
2. For the purpose of promoting consistency with the revised GPA, should further revisions be made to the revised GPA that affect the rights and obligations that are incorporated into this Agreement pursuant to paragraph 1, the revisions shall be incorporated in this Agreement, except as agreed by the Parties pursuant to the amendment procedure referred to in Article 23.2 (Amendments).

Article 14.4: Modifications and Rectifications

1. A Party shall notify the other Party of a proposed rectification of Annex 14-A, withdrawal of an entity from Annex 14-A, or other modification of Annex 14-A (hereinafter referred to as the “modification”). The Party proposing the modification (hereinafter referred to as the “modifying Party”) shall include in the notification:

- (a) for a proposed withdrawal of an entity from Annex 14-A in the exercise of its rights on the grounds that government control or influence over the entity’s covered procurement has been effectively eliminated, evidence that such government control or influence has been effectively eliminated; or
- (b) for any other proposed modification, information as to the likely consequences of the change for the mutually agreed coverage provided under this Chapter.

2. If the other Party objects to the proposed modification, it shall notify the modifying Party of its objection within 30 days of the notification of the proposed modification and include the reasons for its objection.

3. The Parties shall seek to resolve any objection through consultations. In such consultations, the Parties shall consider the proposed modification and, in the case of a notification pursuant to paragraph 1(b), any claim for compensatory adjustments, with a view to maintaining a balance of rights and obligations and a comparable level of mutually agreed coverage provided in this Chapter prior to such notification.

4. If a Party proposes a modification pursuant to paragraph 1(b), the modifying Party shall offer to the other Party appropriate compensatory adjustments, if such adjustments are necessary to maintain a level of coverage comparable to that which existed prior to the modification. Such modification shall become effective if the other Party does not notify the modifying Party of any objection to the proposed modification within 30 days of the notification. A Party need not provide compensatory adjustments if the Parties agree that the proposed modification covers a procuring entity over which a Party has effectively eliminated its control or influence over the entity’s covered procurement.

5. The Commission shall adopt a proposed modification only when the other Party:
 - (a) does not object in writing to the proposed modification within 30 days of the notification provided pursuant to paragraph 1; or
 - (b) submits to the modifying Party a written notice withdrawing the objection.

Article 14.5: Further Negotiations

If, after the entry into force of this Agreement, a Party accords to a non-party greater access to its government procurement market than the access that is accorded to the other Party, that Party may, at the request of the other Party, enter into negotiations regarding the extension of the same access to the other Party on a reciprocal basis.

Article 14.6: Committee on Government Procurement

1. Recognising the ongoing work of the WTO Committee on Government Procurement, the Parties shall endeavour to cooperate in pursuing issues of mutual interest.
2. For issues of a bilateral nature, the Parties hereby establish a Committee on Government Procurement, which shall meet as mutually agreed to address matters such as:
 - (a) facilitating cooperation to increase mutual understanding of each Party's government procurement system;
 - (b) exchanging relevant information;
 - (c) exploring market access expansion; or
 - (d) any other matter related to the operation of this Chapter.

3. For the purpose of paragraph 2, each Party hereby designates the following governmental authority as its enquiry point to facilitate communication between the Parties on any matter regarding government procurement:

- (a) for Korea, the Ministry of Trade, Industry, and Energy; and
- (b) for Canada, the Department of Foreign Affairs, Trade and Development,
or their respective successors.

Article 14.7: Entry into Force

This Chapter enters into force on the later of the date of entry into force of the revised GPA for both Parties or the date of entry into force of this Agreement pursuant to Article 23.4 (Entry into Force).

Annex 14

Annex 14-A

Schedule of Korea – *Central Government Entities*

<i>Thresholds:</i>	100,000,000 Korea Won	<i>Goods</i>
	100,000,000 Korea Won	<i>Services</i>
	5,000,000 SDR	<i>Construction Services</i>

List of Entities:

1. Anti-corruption and Civil Rights Commission of Korea
2. Board of Audit and Inspection
3. Cultural Heritage Administration
4. Defense Acquisition Program Administration
5. Fair Trade Commission
6. Financial Services Commission
7. Korea Coast Guard (except purchases for the purpose of maintaining public order, as provided in Article III of the revised GPA)
8. Korea Communications Commission
9. Korea Customs Service
10. Korea Forest Service
11. Korea Intellectual Property Office
12. Korea Meteorological Administration
13. Military Manpower Administration
14. Ministry of Agriculture, Food and Rural Affairs
15. Ministry of Culture, Sports and Tourism
16. Ministry of Education
17. Ministry of Employment and Labor
18. Ministry of Environment
19. Ministry of Food and Drug Safety
20. Ministry of Foreign Affairs
21. Ministry of Gender Equality and Family
22. Ministry of Government Legislation
23. Ministry for Health and Welfare
24. Ministry of Justice
25. Ministry of Land, Infrastructure and Transport
26. Ministry of National Defense

27. Ministry of Oceans and Fisheries
28. Ministry of Patriots and Veterans Affairs
29. Ministry of Science, ICT and Future Planning
30. Ministry of Security and Public Administration
31. Ministry of Strategy and Finance
32. Ministry of Trade, Industry and Energy
33. Ministry of Unification
34. Multifunctional Administrative City Construction Agency
35. National Emergency Management Agency
36. National Human Rights Commission of Korea
37. National Police Agency (except purchases for the purpose of maintaining public order, as provided in Article III of the revised GPA)
38. National Tax Service
39. Office for Government Policy Coordination
40. Prime Minister's Secretariat
41. Public Procurement Service (Note 3)
42. Rural Development Administration
43. Small and Medium Business Administration
44. Statistics Korea
45. Supreme Prosecutors' Office

Korea's Notes to Annex 14-A

1. The above central government entities cover their “subordinate linear organizations”, “special local administrative agencies”, and “attached organs”, as prescribed in the relevant provisions of the *Government Organization Act* of the Republic of Korea. Any entity with a separate legal personality that is not listed in this Annex is not covered.
2. This Chapter does not apply to any set-asides for small-and medium-sized businesses according to the *Act Relating to Contracts to Which the State is a Party* and its Presidential Decree, and the procurement of agricultural, fishery, and livestock products according to the *Grain Management Act*, the *Act on Distribution and Price Stabilization of Agricultural and Fishery Products*, and the *Livestock Industry Act*.
3. Public Procurement Service: This Chapter covers only those procurements carried out by the Public Procurement Service on its own behalf or for the entities listed in this Annex.

Schedule of Canada – *Federal Government Entities*

Unless otherwise specified, this Chapter covers procurement by entities listed in this Annex, subject to the following thresholds:

<i>Thresholds:</i>	Can\$100,000	<i>Goods</i>
	Can\$100,000	<i>Services</i>
	5,000,000 SDR	<i>Construction Services</i>

List of Entities:

1. Atlantic Canada Opportunities Agency (on its own account)
2. Canada Border Services Agency
3. Canada Employment Insurance Commission
4. Canada Industrial Relations Board
5. Canada Revenue Agency
6. Canada School of Public Service
7. Canadian Centre for Occupational Health and Safety
8. Canadian Food Inspection Agency
9. Canadian Human Rights Commission
10. Canadian Institutes of Health Research
11. Canadian Intergovernmental Conference Secretariat
12. Canadian International Trade Tribunal
13. Canadian Nuclear Safety Commission
14. Canadian Radio-television and Telecommunications Commission (on its own account)
15. Canadian Transportation Accident Investigation and Safety Board
16. Canadian Transportation Agency (on its own account)
17. Copyright Board
18. Correctional Service of Canada
19. Courts Administration Service
20. Department of Agriculture and Agri-Food
21. Department of Canadian Heritage
22. Department of Citizenship and Immigration
23. Department of Employment and Social Development

24. Department of Finance
25. Department of Fisheries and Oceans
26. Department of Foreign Affairs, Trade and Development
27. Department of Health
28. Department of Indian Affairs and Northern Development
29. Department of Industry
30. Department of Justice
31. Department of National Defence
32. Department of Natural Resources
33. Department of Public Safety and Emergency Preparedness
34. Department of Public Works and Government Services (on its own account)
35. Department of the Environment
36. Department of Transport
37. Department of Veterans Affairs
38. Department of Western Economic Diversification (on its own account)
39. Director of Soldier Settlement
40. Director, The Veterans' Land Act
41. Canada Economic Development for Quebec Regions
42. Immigration and Refugee Board
43. Library and Archives of Canada
44. National Battlefields Commission
45. National Energy Board (on its own account)
46. National Farm Products Council
47. National Parole Board
48. National Research Council of Canada
49. Natural Sciences and Engineering Research Council
50. Northern Pipeline Agency (on its own account)
51. Office of the Auditor General
52. Office of the Chief Electoral Officer
53. Office of the Commissioner for Federal Judicial Affairs
54. Office of the Commissioner of Official Languages
55. Office of the Coordinator, Status of Women
56. Office of the Governor General's Secretary
57. Offices of the Information and Privacy Commissioners of Canada
58. Office of the Superintendent of Financial Institutions
59. Parks Canada Agency
60. Patented Medicine Prices Review Board

61. Privy Council Office
62. Public Health Agency of Canada
63. Public Service Commission
64. Public Service Labour Relations Board
65. Registrar of the Supreme Court of Canada
66. Registry of the Competition Tribunal
67. Royal Canadian Mounted Police
68. Royal Canadian Mounted Police External Review Committee
69. Royal Canadian Mounted Police Public Complaints Commission
70. Social Sciences and Humanities Research Council
71. Statistics Canada
72. Transportation Appeal Tribunal of Canada
73. Treasury Board Secretariat

Canada's Note to Annex 14-A

No entity listed in Annex 14-A has the power to create subordinate entities.

Annex 14-B

Goods

Schedule of Korea

1. This Chapter covers procurement of all goods procured by the entities listed in Annex 14-A, unless otherwise specified in this Chapter.
2. Subject to the decision of the Korean Government under the provisions of paragraph 1, Article III of the revised GPA, for procurement by the Ministry of National Defense and the Defense Acquisition Program Administration, this Chapter covers the following FSC categories only.

<i>FSC</i>	<i>Description</i>
2510	Vehicular cab, body, and frame structural components
2520	Vehicular power transmission components
2540	Vehicular furniture and accessories
2590	Miscellaneous vehicular components
2610	Tires and tubes, pneumatic, except aircraft
2910	Engine fuel system components, non-aircraft
2920	Engine electrical system components, non-aircraft
2930	Engine cooling system components, non-aircraft
2940	Engine air and oil filters, strainers and cleaners, non-aircraft
2990	Miscellaneous engine accessories, non-aircraft
3020	Gears, pulleys, sprockets and transmission chain
3416	Lathes
3417	Milling machines
3510	Laundry and dry cleaning equipment
4110	Refrigeration equipment
4230	Decontaminating and impregnating equipment
4520	Space and water heating equipment
4940	Miscellaneous maintenance and repair shop specialized equipment
5120	Hand tools, non-edged, non-powered
5410	Prefabricated and portable buildings
5530	Plywood and veneer
5660	Fencing, fences, gates and components
5945	Relays and solenoids
5965	Headsets, handsets, microphones and speakers

5985	Antennas, waveguide, and related equipment
5995	Cable, cord, and wire assemblies: communication equipment
6505	Drugs and biologicals
6220	Electric vehicular lights and fixtures
6840	Pest control agents disinfectants
6850	Miscellaneous chemical specialties
7310	Food cooking, baking, and serving equipment
7320	Kitchen equipment and appliances
7330	Kitchen hand tools and utensils
7350	Tableware
7360	Sets, kits, outfits, and modules, food preparation and serving
7530	Stationery and record forms
7920	Brooms, brushes, mops, and sponges
7930	Cleaning and polishing compounds and preparations
8110	Drums and cans
9150	Oils and greases: cutting, lubricating, and hydraulic
9310	Paper and paperboard

Schedule of Canada

1. Unless otherwise specified and subject to paragraph 2, this Chapter covers all goods.
2. Subject to the application of paragraph 1 of Article III of the revised GPA, with respect to procurement by the Department of National Defence, the Royal Canadian Mounted Police, and the Department of Fisheries and Oceans for the Canadian Coast Guard, this Chapter covers only the goods described in the Federal Supply Classifications (FSC) listed below:

<i>FSC</i>	<i>Description</i>
22	Railway equipment
23	Motor vehicles, trailers and cycles (except buses in 2310 and except military trucks and trailers in 2320 and 2330 and tracked combat, assault and tactical vehicles in 2350 and wheeled combat, assault and tactical vehicles in 2355 formerly classified in 2320)
24	Tractors
25	Vehicular equipment components
26	Tires and tubes
29	Engine accessories
30	Mechanical power transmission equipment
32	Woodworking machinery and equipment
34	Metal working machinery
35	Service and trade equipment
36	Special industry machinery
37	Agricultural machinery and equipment
38	Construction, mining, excavating and highway maintenance equipment
39	Materials handling equipment
40	Rope, cable, chain and fittings
41	Refrigeration and air conditioning equipment
42	Fire fighting, rescue and safety equipment (except 4220: Marine lifesaving and diving equipment; and 4230: Decontaminating and impregnating equipment)
43	Pumps and compressors

44	Furnace, steam plant, drying equipment and nuclear reactors
45	Plumbing, heating and sanitation equipment
46	Water purification and sewage treatment equipment
47	Pipe, tubing, hose and fittings
48	Valves
49	Maintenance and repair shop equipment
52	Measuring tools
53	Hardware and abrasives
54	Prefabricated structures and scaffolding
55	Lumber, millwork, plywood and veneer
56	Construction and building materials
61	Electric wire and power and distribution equipment
62	Lighting fixtures and lamps
63	Alarm and signal systems
65	Medical, dental and veterinary equipment and supplies
66	Instruments and laboratory equipment (except 6615: Automatic pilot mechanisms and airborne Gyro components; and 6665: Hazard detecting instruments and apparatus)
67	Photographic equipment
68	Chemicals and chemical products
69	Training aids and devices
70	General purpose automatic data processing equipment, software, supplies and support equipment (except 7010: Automatic Data Processing Equipment (ADPE) configurations)
71	Furniture
72	Household and commercial furnishings and appliances
73	Food preparation and serving equipment
74	Office machines, text processing system and visible record equipment
75	Office supplies and devices
76	Books, maps and other publications (except 7650: drawings and specifications)
77	Musical instruments, phonographs and home-type radios
78	Recreational and athletic equipment
79	Cleaning equipment and supplies
80	Brushes, paints, sealers and adhesives
81	Containers, packaging and packing supplies

85	Toiletries
87	Agricultural supplies
88	Live animals
91	Fuels, lubricants, oils and waxes
93	Non-metallic fabricated materials
94	Non-metallic crude materials
96	Ores, minerals and their primary products
99	Miscellaneous

Annex 14-C

Services

Schedule of Korea

Of the Universal List of Services, as contained in document MTN.GNS/W/120, the following services are covered:

<i>GNS/W/120</i>	<i>CPC</i>	<i>Description</i>
1.A.b.	862	Accounting, auditing and bookkeeping services
1.A.c.	863	Taxation services
1.A.d.	8671	Architectural services
1.A.e.	8672	Engineering services
1.A.f.	8673	Integrated engineering services
1.A.g.	8674	Urban planning and landscape architectural services
1.B.	84	Computer services
1.B.a.	841	Consultancy services related to the installation of computer hardware
1.B.b.	842	Software implementation services
1.B.c.	843	Data processing services
1.B.d.	844	Data base services
1.B.e.	845	Maintenance and repair services of office machinery and equipment (including computers)
1.E.a.	83103	Rental/leasing services without operators relating to ships
1.E.b.	83104	Rental/leasing services without operators relating to aircraft
1.E.c.	83101, 83105*	Rental/leasing services without operators relating to other transport equipment (only passenger vehicles for less than fifteen passengers)
1.E.d.	83106, 83108, 83109 83107	Rental/leasing services without operators relating to other machinery and equipment Rental/leasing services without operator relating to construction machinery and equipment

<i>GNS/W/120</i>	<i>CPC</i>	<i>Description</i>
1.F.a.	8711, 8719	Advertising agency services
1.F.b.	864	Market research and public opinion polling services
1.F.c.	865	Management consulting services
1.F.d.	86601	Project management services
1.F.e.	86761*	Composition and purity testing and analysis services (only inspection, testing and analysis services of air, water, noise level and vibration level)
	86764	Technical inspection services
1.F.f.	8811*, 8812*	Consulting services relating to agriculture and animal husbandry
	8814*	Services incidental to forestry (excluding aerial fire fighting and disinfection)
1.F.g.	882*	Consulting services relating to fishing
1.F.h.	883*	Consulting services relating to mining
1.F.m.	86751, 86752	Related scientific and technical consulting services
1.F.n.	633, 8861	Maintenance and repair of equipment
	8862, 8863	
	8864, 8865	
	8866	
1.F.p.	875	Photographic services
1.F.q.	876	Packaging services
1.F.r.	88442*	Printing (screen printing, gravure printing, and services relating to printing)
1.F.s.	87909*	Stenography services Convention agency services
1.F.t.	87905	Translation and interpretation services
2.C.j.	7523*	On-line information and data-base retrieval
2.C.k.	7523*	Electronic data interchange
2.C.l.	7523*	Enhanced/value-added facsimile services including store and forward, store and retrieve

<i>GNS/W/120</i>	<i>CPC</i>	<i>Description</i>
2.C.m.	-	Code and protocol conversion
2.C.n.	843*	On-line information and/or data processing (including transaction processing)
2.D.a.	96112*, 96113*	Motion picture and video tape production and distribution services (excluding those services for cable TV broadcasting)
2.D.e.	-	Record production and distribution services (sound recording)
6.A.	9401*	Refuse water disposal services (only collection and treatment services of industrial waste water)
6.B.	9402*	Industrial refuse disposal services (only collection, transport, and disposal services of industrial refuse)
6.D.	9404*, 9405*	Cleaning services of exhaust gases and noise abatement services (services other than construction work services)
	9406*, 9409*	Environmental testing and assessment services (only environmental impact assessment services)
9.A	641	Hotel and other lodging services
9.A	642	Food serving services
9.A	6431	Beverage serving services without entertainment (Excluding rail and air transport related facilities in CPC 6431)
9.B	7471	Travel agency and tour operator services (except Government Transportation Request)
11.A.b.	7212*	International transport, excluding cabotage
11.A.d.	8868*	Maintenance and repair of vessels
11.F.b.	71233*	Transportation of containerized freight, excluding cabotage

<i>GNS/W/120</i>	<i>CPC</i>	<i>Description</i>
11.H.c	748*	Freight transport agency services <ul style="list-style-type: none"> - Maritime agency services - Maritime freight forwarding services - Shipping brokerage services - Air cargo transport agency services - Customs clearance services
11.I.	-	Freight forwarding for rail transport

Korea's Note to Annex 14-C

Asterisks (*) designate "part of" as described in detail in the Revised Conditional Offer of the Republic of Korea Concerning Initial Commitments on Trade in Services.

Schedule of Canada

1. Unless otherwise specified, this Chapter covers the services specified in paragraph 2. Such services are identified in accordance with the United Nations Provisional Central Product Classification (CPC). For the purposes of implementation of this Chapter for federal entities, Canada will use the “Common Classification System”.

2. This Chapter covers the following services:

<i>CPC</i>	<i>Description</i>
633	Repair services of personal and household goods
641	Hotel and similar accommodation services
642-643	Food and beverage serving services
821	Real estate services involving own or leased property
822	Real estate services on a fee or contract basis
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
843	On-line information and/or data processing (including transaction processing)
844	Data base services
845	Maintenance and repair services of office machinery and equipment including computers
849	Other computer services
861	Legal Services (advisory services on foreign and international law only)
862	Accounting, auditing and book-keeping services
863	Taxation Services (excluding legal services)
874	Building-cleaning services
876	Packaging services
883	Services incidental to mining, including drilling and field services
940	Sewage and refuse disposal, sanitation and similar services

7471	Travel agency and tour operator services
7512	Commercial courier services (including multi-modal)
7523	Electronic data interchange (EDI)
7523	Electronic mail
7523	Enhanced/value-added facsimile services, including store and forward, store and retrieve Code and protocol conversion
7523	On-line information and data base retrieval
7523	Voice mail
8660	Services related to management consulting (except 86602 Arbitration and conciliation services)
8671	Architectural services
8672	Engineering services
8673	Integrated engineering services (excluding 86731 Integrated engineering services for transportation infrastructure turnkey projects)
8674	Urban planning and landscape architectural 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
8861	
to 8864,	
and 8866	Repair services incidental to metal products, machinery and equipment
83106	
to 83109 only	Leasing or rental services concerning machinery and equipment without operator
83203	
to 83209 only	Leasing or rental services concerning personal and household goods
86501	General management consulting services
86503	Marketing management consulting services
86504	Human resources management consulting services
86505	Production management consulting services

Canada's Notes to Annex 14-C

1. This Chapter is subject to the terms and conditions set out in Canada's Schedule to the GATS.
2. Canada's coverage in telecommunications services 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.
3. This Chapter does not cover procurement of the following:
 - (a) services for the management and operation of government facilities or privately owned facilities used for government purposes, including federally-funded research and development;
 - (b) public utilities;
 - (c) architectural and engineering services related to airfield, communications and missile facilities;
 - (d) shipbuilding and repair and related architectural and engineering services;
 - (e) all services, with reference to those goods purchased by the Department of National Defence, the Royal Canadian Mounted Police, and the Department of Fisheries and Oceans for the Canadian Coast Guard which are not covered by this Chapter; and
 - (f) services procured in support of military forces located overseas.

Annex 14-D

Construction Services

Schedule of Korea

Definition:

1. A construction services contract is a contract which has as its objective the realisation by whatever means of civil or building works, in the sense of Division 51 of the Central Product Classification. Such a contract includes a build-operate-transfer (hereinafter referred to as “BOT”) contract, to which the BOT threshold applies.
2. A BOT contract is any contractual arrangement the primary purpose of which is to provide for the construction or rehabilitation of physical infrastructures, plants, buildings, facilities, or other government-owned works and under which, as consideration for a supplier’s execution of a contractual arrangement, a procuring entity grants to the supplier, for a specified period of time, temporary ownership or a right to control and operate, and demand payment for the use of such works for the duration of the contract.

Thresholds: 5,000,000 SDR for entities set out in Annex 14-A

BOT Thresholds: 5,000,000 SDR for entities set out in Annex 14-A

List of Construction Services:

<i>CPC</i>	<i>Description</i>
51	Construction work

Korea’s Note to Annex 14-D

This Chapter does not apply to any set-asides for small-and medium-sized businesses according to the *Act on Private Participation in Infrastructure*.

Schedule of Canada

1. Unless otherwise specified and subject to paragraph 2, this Chapter covers all construction services identified in Division 51 of the United Nations Provisional Central Product Classification (CPC).
2. This Chapter does not cover procurement of the following:
 - (a) dredging services; and
 - (b) construction services procured by or on behalf of the federal Department of Transport.

Annex 14-E

General Notes

Schedule of Korea

1. A service listed in Annex 14-C is covered with respect to the other Party only to the extent that the other Party has included that service in Annex 14-C.
2. This Chapter does not cover procurement in furtherance of human feeding programmes.
3. For greater clarity, procurement for airports is not covered under this Chapter.

Schedule of Canada

Unless otherwise specified, the following General Notes apply to this Chapter, including to Annexes 14-A through 14-D.

1. This Chapter does not cover procurement 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) FSC 58 (communications, detection and coherent radiation equipment);
 - (d) agricultural goods made in furtherance of agricultural support programmes or human feeding programmes; and
 - (e) transportation services that form a part of, or are incidental to, a procurement contract.

2. This Chapter does not apply to:
 - (a) set-asides for small and minority owned businesses;
 - (b) 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*; and
 - (c) contracts under an international agreement and intended for the joint implementation or exploitation of a project.

3. For greater certainty, this Chapter shall be interpreted in accordance with the following:
 - (a) Procurement in terms of Canadian coverage is defined as contractual transactions to acquire goods 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 procurements between one government entity or government enterprise and another government entity or government enterprise;

- (b) Where a contract to be awarded by an entity is not covered by this Chapter, this Chapter is not to be construed to cover any good or service component of that contract; and
- (c) Any exclusion that is related either specifically or generally to Federal entities in Annex 14-A will also apply to any successor entity or entities, or enterprise or enterprises, in such a manner as to maintain the value of this offer.

Annex 14-F

Publication of Notices

For Korea: Korea ON-line E-Procurement Systems (KONEPS) at www.g2b.go.kr,
or if necessary, Electronic Gazette at gwanbo.korea.go.kr

For Canada: The Government Electronic Tendering Service (GETS) at
<https://buyandsell.gc.ca/>

Annex 14-G

Threshold Adjustment

1. Thresholds for goods and services referred to in Annex 14-A shall be adjusted, as necessary, based on consultations between the Parties.
2. Thresholds for construction services referred to in Annex 14-A shall be adjusted in accordance with the formula in the WTO Committee on Government Procurement Decision GPA/1, Annex 3.
3. The Parties agree that the threshold for construction services shall be adjusted every two years, commencing with the first adjustment date applicable under the GPA, following the entry into force of the WTO Protocol Amending the GPA.