

**Multi-Agency Support Team (MAST) Meeting on Non-Tariff Measures
(NTMs) Classification**

5-6 October 2016, UNCTAD

Working Group on Government Procurement: Chapter M

Chair: Julien Gourdon (OECD)

UNCTAD focal point: Santiago Fernandez de Cordoba

The OECD summarized the work that has been done since last MAST meeting and presented its draft Government Procurement (GP) taxonomy. The OECD work draws on GP data on the Global Trade Alert, the WTO Government Procurement Agreement (GPA) and the OECD-STRI (Services Trade Restrictive Index). OECD has worked permanently during the last year on the development of this taxonomy, and the expert group met twice in Paris, on April 14 and on September 15, 2015.

The taxonomy covers explicit and implicit measures that may impede trade flows and create losses of market opportunities for foreign companies. In this taxonomy the explicit categories (M1 to M4) gather measures or practices that directly reduce or prevent foreign companies' access to a government procurement system. The implicit categories (m5 to M9) group measures or practices that indirectly or potentially may affect cross-border procurement.

The OECD has also had the opportunity to test the classification by studying and collecting GP data across a small sample of countries. The pilot countries are: Colombia, New Zealand, South Africa, Tunisia, Chile and India. The OECD presented the first results of this exercise.

This taxonomy lays the foundation for MAST's GP taxonomy but a conversion to serve MAST purposes is needed in consideration of the following issues.

1. Procedural matters contained, for example, in M8 (Review/Complain Mechanisms) and M9 (Transparency and Information) are not within a scope of MAST.
2. M42 or M4 in general are either not directly related to GP or to be covered by other chapters (e.g. M41 (Tax on procurement from foreign entity) -> Chapter F).
3. Should MAST GP taxonomy include services and construction or only goods? Also, should it capture defence industry?
4. Data collection methodology (primary sources, measure description) needs to be in accordance with MAST methodology.
5. Should GP take into account only central entities, or also sub-central entities such as states and provinces?

The group has decided to continue reflecting on this issues under the leadership of the OECD with the support of UNCTAD, WTO and other MAST members.