

Agreed Minutes on Government Procurement Issues

Delegations led by the American Institute In Taiwan (AIT) and the Taipei Economic and Cultural Representative Office (TECRO) met on December 15-17 and discussed issues relating to Chinese Taipei's signature of the World Trade Organization's Agreement on Government Procurement (GPA). The discussions were constructive and productive. With regard to the coverage of its Government Procurement offer, Chinese Taipei agreed to include the following goods and services as improvements to its offer of 19 March 1997 (GPA/SPEC/1/Rev.1).

For electricity:

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| Goods - | 8402 | Steam or other vapor generating boilers |
| | 8404 | Auxiliary plant for use with boilers |
| | 8410 | Hydraulic turbines, water wheels, and regulators |
| | 8501 | Electric motors with capacity of 22 megawatts or greater, electric generators with capacity of 50 megawatts or greater* |
| | 8502 | Electrical generating sets |
| | 8504 | Electrical transformers and static converters, with capacity of 1 to 600 megawatts* |
| Services - | CPC 86724 | Power transmission, distribution and substation engineering design services |
| | CPC 86725 | Power plant engineering design services |
| | CPC-86726 | Power transmission and distribution automatize system engineer design services |
| | CPC-86739 | Integrated engineering services for power transmission and distribution turnkey |

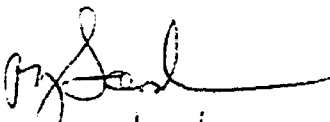
With regard to the reservation permitted on HTS category 8544, procurement of cable related to telecommunications applications will be covered in Chinese Taipei's offer.

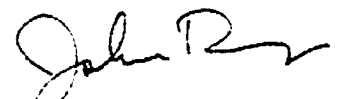
For transport:

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| Goods - | 8608 | Railway or trainway track fixtures and fitting, mechanical (including electro- mechanical) signaling, safety or traffic control equipment for railways, roads, inland waterways, parking facility, port installations or airfields, parts of the foregoing.* |
|---------|------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

On thresholds, Chinese Taipei agrees that the provisions of General Note 1 will not apply to U.S. bidders competing on goods, services and construction contracts tendered by entities identified in Annex 2.

*Coverage to be effective 2 years from the date of Chinese Taipei's accession to the WTO.


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The United States expressed its appreciation for the improved offer and stated its satisfaction with the coverage of Chinese Taipei's offer as modified by the provisions set forth above. The United States noted that the WTO Committee on Government Procurement could be notified of the improvements. Both sides decided to consider that procedure further.

Chinese Taipei and the United States also had a productive discussion of the status of dispute resolution issues associated with bid protests and post contract dispute resolution issues. Chinese Taipei provided a status report on the Government Procurement Law pending before the Legislative Yuan and clarified the meaning of certain articles in the draft bill relating to dispute resolution.

Both sides discussed the guidance that the PCC will provide to procuring entities on terms and conditions which will be included in all public contracts of a value above the threshold for publication. Chinese Taipei also explained other measures that it intends to take to implement the Government Procurement Law once it enters into effect.

The United States expressed its satisfaction with the dispute settlement procedures that Chinese Taipei described and plans to establish after the Government Procurement Law takes effect. Chinese Taipei also agreed to ensure the fairness, transparency, and effectiveness of the procedures and to consult with the U.S. side on implementation of these procedures. Both sides look forward to the prompt enactment of the Government Procurement Law by the Legislative Yuan and the development of effective implementing regulations.

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