

WORLD TRADE ORGANIZATION

RESTRICTED

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Committee on Government Procurement

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THE THRESHOLDS IN APPENDIX I OF THE AGREEMENT AS EXPRESSED IN NATIONAL CURRENCIES FOR 1996/1997

In pursuance of the agreed procedures (GPA/1, Annex 3), delegations have been invited to notify their respective national thresholds for the period 1996-1997.

The information notified in response by Norway is reproduced below.

NORWAY

Threshold calculations - for period 1996-1997.

The calculation of the thresholds of the WTO Agreement in Norwegian crowns (NOK) has been based on the average daily SDR to ECU and ECU to NOK exchange rates over 24 months from September 1993 through August 1995.

The Norwegian GPA threshold values are calculated in the following way; the SDR threshold values are multiplied with the exchange rate between ECU and SDR in the two-year period (1.2013) and then multiplied with 0.87 (1-13 per cent VAT) again multiplied with the exchange rate between Norwegian crowns and ECU (8.3075) in the same time period. The value of the thresholds is expressed net of value-added tax (VAT) because the threshold values are expressed net of VAT in Norway.

ANNEX 1

	SDR	NOK	Rounded Thresholds NOK
1. Supplies and services	130,000	1,128,715	1,100,000
2. Construction	5,000,000	43,412,129	41,500,000

ANNEX 2

	SDR	NOK	Rounded Thresholds NOK
1. Supplies and services	200,000	1,736,485	1,650,000
2. Construction	5,000,000	43,412,129	41,500,000

ANNEX 3

	SDR	NOK	Rounded Thresholds NOK
1. Supplies and services	400,000	3,472,970	3,300,000
2. Construction	5,000,000	43,412,129	41,500,000

Norway is bound, under the terms of the Agreement on the European Economic Area (EEA), by the thresholds for public procurement in this Agreement, which are expressed in ECU. The thresholds under the EEA Agreement are ECU 200,000, ECU 400,000 and ECU 5,000,000. The thresholds according to the EEA Agreement for the period 1996 and 1997 are as follows:

$$\text{ECU } 200,000 * 8.3075 = \text{NOK } 1,661,500$$

$$\text{ECU } 400,000 * 8.3075 = \text{NOK } 3,323,000$$

$$\text{ECU } 5,000,000 * 8.3075 = \text{NOK } 41,537,500$$

The value of the SDR has been higher than the value of the ECU in the 24-month calculation period, making the SDR thresholds higher than the ECU-based thresholds. In order to comply with both the WTO Government Procurement Agreement and the EEA Agreement, Norway has determined to set rounded thresholds based on the lowest values for Annex 2 and 3 entities and for the construction threshold. Hence the Norwegian threshold values for the period 1996 and 1997 are the following:

SDR	130,000	200,000	400,000	5,000,000
NOK	1,100,000	1,650,000	3,300,000	41,500,000