

**Committee on Government Procurement**

**ACCESSION OF ICELAND**

**DECISION OF THE COMMITTEE OF 29 SEPTEMBER 2000**

The Committee,

*Having regard* to the application for accession to the Agreement on Government Procurement by Iceland, contained in document GPA/W/73 of 22 June 1998, and the consultations held with the Parties to the Agreement on Government Procurement in pursuance thereof;

*Decides* as follows:

1. In accordance with the provisions of Article XXIV:2 of the Agreement on Government Procurement (1994), the Government of Iceland may accede to this Agreement on the terms attached.
2. The Agreement on Government Procurement will enter into force for Iceland on the thirtieth day following the date of its accession, i.e. the date on which the instrument of accession reproducing the attached terms has been received by the Director-General.
3. This Decision shall expire six months after the date of its adoption by the Committee on Government Procurement unless it is extended by that Committee by mutual consent between the Committee and Iceland.

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\* Appendix I is authentic in the English language only.

## ATTACHMENT

### TERMS OF ACCESSION OF ICELAND

#### APPENDIX I

##### ANNEX 1

*Entities which Procure in Accordance  
With the Provisions of this Agreement*

***Supplies***

*Threshold:* SDR 130,000

***Services*** (specified in Annex 4)

*Threshold:* SDR 130,000

***Works*** (specified in Annex 5)

*Threshold:* SDR 5,000,000

*List of Entities:*

The following central government entities including:

Central purchasing entities not having an industrial or commercial character governed by Act no. 63/1970 on the arrangement of public works contracts, and Act no. 52/1987, on government procurement, as amended.

The entities in charge of government procurement are the following bodies:

Ríkiskaup (State Trading Center)

Framkvæmdasýslan (Government Construction Contracts)

Vegagerð ríkisins (Public Road Administration)

Siglingastofnun (Icelandic Maritime Administration)

## ANNEX 2

### *Entities which Procure in Accordance With the Provisions of this Agreement*

#### ***Supplies***

*Threshold:* SDR 200,000

***Services*** (specified in Annex 4)

*Threshold:* SDR 200,000

***Works*** (specified in Annex 5)

*Threshold:* SDR 5,000,000

#### *List of Entities:*

1. Contracting local public authorities, including all municipalities.
2. Public bodies at the local level not having an industrial or commercial character.

### ANNEX 3

#### *Other Entities which Procure in Accordance With the Provisions of this Agreement*

***Supplies***

*Threshold:* SDR 400,000

***Services*** (specified in Annex 4)\*

*Threshold:* SDR 400,000

***Works*** (specified in Annex 5)

*Threshold:* SDR 5,000,000

*List of Sectors:*

1. *The electricity sector:*

Landvirkjun (The National Power Company), *lög nr. 42/1983*.

Rafmagnsveitur ríkisins (The State Electric Power Works), *orkulög nr. 58/1967*

Orkuveita Reykjavíkur (Reykjavík Energy).

Orkubú Vestfjarða (Vestfjord Power Company), *lög nr. 66/1976*.

Other entities producing, transporting or distributing electricity pursuant to *orkulög nr. 58/1967*.

2. *Urban transport:*

Strætisvagnar Reykjavíkur (The Reykjavík Municipal Bus Service).

Almenningsvagnar bs.

Other Municipal bus services.

3. *Airports:*

Flugmálastjórn (Directorate of Civil Aviation)

4. *Ports:*

Siglingastofnun, (Icelandic Maritime Administration).

Other entities operating pursuant to *Hafnalög nr. 23/1994*.

5. *Water supply:\*\**

Public entities producing or distributing drinking water pursuant to *lög nr 81/1991, um vatnsveitur sveitarfélaga*.

*Notes to Annex 3*

\* This Agreement shall not apply to service contracts which:

- (a) a contracting entity awards to an affiliated undertaking;
- (b) are awarded by a joint venture formed by a number of contracting entities for the purpose of carrying out a relevant activity within the meaning of paragraphs 1-5 of this Annex to one of those contracting entities or to an undertaking which is affiliated with one of these contracting entities;

Provided that at least 80 per cent of the average turnover of that undertaking with respect to services arising within the EEA for the three preceding years derives from the provision of such services to undertakings with which it is affiliated. When more than one undertaking affiliated with the contracting entity provides the same service or similar services, the total turnover deriving from the provision of services by those undertakings shall be taken into account.

\*\* The supply of drinking water and electricity to networks which provide a service to the public by a contracting entity other than a public authority shall not be considered as a relevant activity within the meaning of paragraphs 1 and 5 of Annex 3 where:

- the production of drinking water or electricity by the entity concerned takes place because its consumption is necessary for carrying out an activity other than that referred to in paragraphs 1 and 5 of this Annex; and
- supply to the public network depends only on the entity's own consumption and has not exceeded 30 per cent of the entity's total production of drinking water or energy, having regard to the average for the preceding three years, including the current year.

ANNEX 4

*Services*

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

<i>Subject</i>	<i>CPC Reference N</i>
Maintenance and repair services	6112, 6122, 633, 886
Land transport services, including armoured car services, and courier services, except transport of mail	712 (except 71235), 7512, 87304
Air transport services of passengers and freight, except transport of mail	73 (except 7321)
Transport of mail by land, except rail, and by air	71235, 7321
Telecommunications services	752** (except 7524, 7525, 7526)
Financial services	ex 81
(a) Insurance services	812, 814
(b) Banking and investment services***	
Computer and related services	84
Accounting, auditing and bookkeeping services	862
Market research and public opinion polling services	864
Management consulting services and related services	865, 866****
Architectural services; engineering services and integrated engineering services, urban planning and landscape architectural services; related scientific and technical consulting services; technical consulting services; technical testing and analysis services	867
Advertising services	871
Building-cleaning services and property management services	874, 82201-82206

<i>Subject</i>	<i>CPC Reference N</i>
Publishing and printing services on a fee or contract basis	88442
Sewage and refuse disposal; sanitation and similar services	94

***Notes to Annex 4***

- \* except for services which entities have to procure from another entity pursuant to an exclusive right established by a published law, regulation or administrative provision
- \*\* except voice telephony, telex, radiotelephony, paging and satellite services
- \*\*\* except contracts for financial services in connection with the issue, sale, purchase, or transfer of securities or other financial instruments, and central bank services
- \*\*\*\* except arbitrations and conciliation services

## ANNEX 5

### *Construction Services*

#### *Definition:*

A construction service contract is a contract which has as its objective the realization by whatever means of civil or building works, in the sense of Division 51 of the Central Product Classification (CPC).

#### *List of Division 51, CPC:*

All public works/construction services of Division 51.



## GENERAL NOTES AND DEROGATIONS FROM THE PROVISIONS OF ARTICLE III

1. Iceland will not extend the benefits of this Agreement:

- as regards the award of contracts by entities listed in Annex 2 to the suppliers and service providers of Canada;
- as regards the award of contracts, other than for supplies, listed in Annex 2 to the suppliers and service providers of the USA;
- as regards the award of contracts by entities listed in Annex 3 paragraph
  - (1) (electricity), to the suppliers and service providers of Canada, Singapore and Japan;
  - (2) (urban transport), to the suppliers and service providers of Canada, Japan, Korea and the USA;
  - (3) (airports), to the suppliers and service providers of Canada, Korea and the USA;
  - (4) (ports), to the suppliers and service providers of Canada;
  - (5) (water), to the suppliers and service providers of Canada and the USA;

until such time as Iceland has accepted that the Parties concerned give comparable and effective access for Icelandic undertakings to the relevant markets;

- to service providers of Parties which do not include the relevant service contracts for the relevant entities in Annexes 1 to 3 and the relevant service category under Annexes 4 and 5 in their own coverage.

2. The provisions of Article XX shall not apply to suppliers and service providers of:

- Japan, Korea and Switzerland in contesting the award of contracts by entities listed under Annex 2, paragraph 2, until such time as Iceland accepts that they have completed coverage of sub-central entities;
- Japan and Korea in contesting the award of contracts to a supplier or service provider of Parties other than those mentioned, which are small or medium-sized enterprises under the relevant provisions in Iceland, until such time as Iceland accepts that they no longer operate discriminatory measures in favour of certain domestic small and minority businesses;
- Israel, Japan and Korea in contesting the award of contracts by Icelandic entities, whose value is less than the threshold applied for the same category of contracts awarded by these Parties.

3. Until such time as Iceland has accepted that the Parties concerned provide access for Icelandic suppliers and service providers to their own markets, Iceland will not extend the benefits of this Agreement to suppliers and service providers of:
  - Canada as regards procurement of FSC 58 (communications, protection and coherent radiation equipment) and the USA as regards air traffic control equipment;
  - Israel and Korea as regards procurement by entities listed in Annex 3, paragraph 1, as regards procurement of HS Nos 8504, 8535, 8537 and 8544 (electrical transformers, plugs, switches and insulated cables); and for Israel, HS Nos 8501, 8536 and 902830;
  - Canada and the USA as regards contracts for good or service components of contracts which, although awarded by an entity covered by this Agreement, are not themselves subject to this Agreement.
4. Contracts awarded by entities in Annexes 1 and 2 in connection with activities in the fields of drinking water, energy, transport or telecommunications, are not included.
5. With regard to Annex 3, this Agreement shall not apply to the following contracts:
  - contracts which the contracting entities under paragraph 5 award for the purchase of water;
  - contracts which the contracting entities under paragraph 1 award for the supply of energy or of fuels for the production of energy;
  - contracts which the contracting entities award for purposes other than the pursuit of their activities as described in this Annex or for the pursuit of such activities in a non-EEA country;
  - contracts awarded for purposes of re-sale or hire to third parties provided that the contracting entity enjoys no special or exclusive right to sell or hire the subject of such contracts and that other entities are free to sell or hire it under the same conditions as the contracting entity;
  - contracting entities exercising activities in the bus transportation sector where other entities are free to offer the same services in the same geographical area and under substantially the same conditions.
6. With regard to Annex 4, this Agreement shall not apply to the following:
  - contracts for the acquisition or rental, by whatever financial means, of land, existing buildings, or other immovable property or concerning rights thereon;
  - contracts for the acquisition, development, production or co-production of programme material by broadcasters and contracts for broadcasting time;
  - contracts awarded to an entity which is itself a contracting authority within the meaning of the Public Procurement Act: "Lög um opinber innkaup (52/1997) and Regulation (302/1996) on the basis of an exclusive right which it enjoys pursuant to a published law, regulation or administrative provision;
  - contracts of employment.

7. The Agreement shall not apply to contracts awarded under:
  - an international agreement and intended for the joint implementation or exploitation of a project by the signatory States;
  - an international agreement relating to the stationing of troops;
  - the particular procedure of an international organization.
8. The Agreement shall not apply to procurement of agricultural products made in furtherance of agricultural support programmes and human feeding programmes.

## **APPENDIX II**

Publications utilised by Parties for the publication of notices of intended procurements, paragraph 1 of Article IX and of post-award notices (paragraph 1 of Article XVIII).

Icelandic newspapers:

Morgunbladid  
Dagbladid  
Dagur

Other:

Official Journal of the European Communities.

### **APPENDIX III**

Publications utilised by Parties for the publication annually of information on permanent lists of qualified suppliers in the case of selective tendering procedures (paragraph 9 of Article IX).

Official Journal of the European Communities:  
(Currently no such list exists)

#### **APPENDIX IV**

Publications utilised by Parties for the publication of laws, regulations, judicial decisions, administrative rulings of general application and any procedure regarding government procurement governed by this Agreement (paragraph 1 of Article XIX).

Laws, regulations and rules:

Stjórnartíðindi (The Government Gazette)

Judicial decisions and administrative rulings:

Hæstaréttardómar (Supreme Court Report)

(District courts do not issue a Court Report, but any interested party can obtain a transcript of a particular case. Administrative rulings are not reported but can be obtained from the relevant authority.)

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