

CHAPTER 8 GOVERNMENT PROCUREMENT

ARTICLE 8.1: GENERAL PROVISIONS

1. The Parties recognize that this Chapter will contribute to expand bilateral trading opportunities in each Party's government procurement market.
2. The Parties recognize their shared interest in promoting the effective, reciprocal and progressive opening of government procurement markets. The Parties will endeavor to cooperate bilaterally on procurement matters.

ARTICLE 8.2: SCOPE

1. This Chapter shall apply to any measure of a Party regarding covered procurement.
2. For the purposes of this Chapter, **covered procurement** means a government procurement of goods, services or any combination thereof for governmental purposes:
 - (a) not procured with a view to commercial sale or resale, or for use in the production or supply of goods or services for commercial sale or resale;
 - (b) by any contractual means, including purchase, lease, and rental or hire purchase, with or without an option to buy;
 - (c) for which the value, as estimated in accordance with paragraphs 5 and 6 equals or exceeds the relevant threshold specified by each Party in Annex 8-A at the time of publication of a notice in accordance with Article 8.6;
 - (d) by a procuring entity; and
 - (e) that is not otherwise excluded from coverage by this Chapter; and subject to the conditions specified in Annex 8-A.
3. This Chapter shall not apply to:
 - (a) the acquisition or rental of land, existing buildings, or other immovable property or rights thereon;
 - (b) non-contractual agreements or any form of assistance¹ that a Party provides, including cooperative agreements, grants, loans, equity infusions, guarantees, fiscal incentives, subsidies, government provision of goods and services to state, regional, or local government entities;

¹ For greater certainty, this Chapter shall not apply to a procurement in furtherance of human feeding programs.

- (c) the procurement or acquisition of fiscal agency or depository services, liquidation and management services for regulated financial institutions, or services related to the public debt, including loans and government bonds, notes and other securities;
- (d) public employment contracts and related measures;
- (e) procurement conducted:
 - (i) under the particular procedure or condition of an international agreement relating to the stationing of troops or relating to the joint implementation by the signatory countries of a project; or
 - (ii) under the particular procedure or condition of an international organization, or funded by international grants, loans, or other assistance where the applicable procedure or condition would be inconsistent with this Chapter; and
- (f) procurement for the specific purpose of providing international assistance, including development aid.

4. Where legislation of a Party allows a covered procurement to be carried out on behalf of the procuring entity by other entities or persons not listed in the Annex 8-A, the provisions of the Article 8. 4 shall equally apply, *mutatis mutandis*.

Valuation of Contracts

5. In estimating the value of a procurement for the purposes of ascertaining whether it is a covered procurement, a procuring entity shall:

- (a) neither divide a procurement into separate procurements nor use a particular valuation method for estimating the value of a procurement with the intention of totally or partially excluding it from the application of this Chapter;
- (b) include the estimated maximum total value of the procurement over its entire duration, whether awarded to one or more suppliers, taking into account all forms of remuneration, including:
 - (i) premiums, fees, commissions, and interest; and
 - (ii) where the procurement provides for the possibility of option clauses, the estimated maximum total value of the procurement, inclusive of optional purchases; and
- (c) where the procurement is to be conducted in multiple parts, with contracts to be awarded at the same time or over a given period to one or more suppliers, base its calculation of the total maximum value of the procurement over its entire duration.

6. Where the estimated maximum total value of a procurement over its entire duration is not known, the procurement shall be covered by this Chapter.

ARTICLE 8.3: EXCEPTIONS

1. Subject to the requirement that such measures are not applied in a manner that would constitute a means of arbitrary or unjustifiable discrimination between the Parties where the same conditions prevail or a disguised restriction on trade between the Parties, nothing in this Chapter shall be construed to prevent a Party from adopting or maintaining measures:

- (a) necessary to protect public morals, order or safety;
- (b) necessary to protect human, animal, or plant life or health;
- (c) necessary to protect intellectual property; or
- (d) relating to goods or services of persons with disabilities, philanthropic institutions, or prison labor.

2. The Parties understand that paragraph 1(b) includes environmental measures necessary to protect human, animal, or plant life or health.

ARTICLE 8.4: GENERAL PRINCIPLES

National Treatment and Non-Discrimination

1. With respect to any measure covered by this Chapter, each Party, including its procuring entities, shall accord to the goods and services of the other Party and to the suppliers of the other Party offering such goods or services, treatment no less favourable than that accorded to domestic goods, services and suppliers.

2. With respect to any measure regarding covered procurement, a Party, including its procuring entities, shall not:

- (a) treat a locally established supplier less favorably than another locally established supplier on the basis of degree of foreign affiliation or ownership; or
- (b) discriminate against a locally established supplier on the basis that the goods or services offered by that supplier for a particular procurement are goods or services of the other Party.

Measures Not Specific to Procurement

3. The provisions of paragraphs 1 and 2 shall not apply to customs duties and charges of any kind imposed on, or in connection with, importation, the method of

levying such duties and charges, other import regulations or formalities, and measures affecting trade in services other than measures governing covered procurement.

Use of Electronic Means

4. When conducting covered procurement by electronic means, a procuring entity shall:

- (a) ensure that the procurement is conducted using information technology systems and software, including those related to authentication and encryption of information, that are generally available and interoperable with other generally available information technology systems and software; and
- (b) maintain mechanisms that ensure the integrity of requests for participation and tenders, including establishment of the time of receipt and the prevention of inappropriate access.

Prohibition of Offsets

5. Subject to the exceptions contained in this Chapter or the annexes pertaining thereto, a Party, including its procuring entities, shall not seek, take account of, impose, or enforce offsets at any stage of a covered procurement.

Rules of Origin

6. For the purposes of covered procurement, each Party shall not apply rules of origin to goods or services imported from or supplied from the other Party that are different from the rules of origin the Party applies at the same time in the normal course of trade to imports or supplies of the same goods or services.

Conduct of Procurement

7. A procuring entity shall conduct covered procurement in a transparent and impartial manner that:

- (a) is consistent with this Chapter, using methods such as open tendering, selective tendering and limited tendering;
- (b) avoids conflicts of interest; and
- (c) prevents corrupt practices.

ARTICLE 8.5: PUBLICATION OF PROCUREMENT INFORMATION AND MEASURES

Each Party shall promptly publish its procurement laws, regulations, procedures, administrative rulings of general application relating to covered procurements, and any changes or additions to this information, in electronic or paper media that are widely

disseminated and remain accessible to the public, and provide, if so requested by the other Party further information concerning their application.

ARTICLE 8.6: NOTICES

Notice of Intended Procurement

1. For each covered procurement, except in the circumstances described in Article 8.11, a procuring entity shall publish a notice inviting interested suppliers to submit tenders or, where appropriate, applications for participation in the procurement. Any such notice shall be published in an electronic or paper medium that is widely disseminated and readily accessible to the public free of charge for the entire period established for tendering. Each Party shall encourage procuring entities to publish notices of intended procurement in a single point of entry electronic publication that is accessible through the Internet or a comparable network.

2. Except as otherwise provided in this Chapter, each notice of intended procurement shall include:

- (a) the name and address of the procuring entity and other information necessary to contact such entity and obtain all relevant documents relating to the procurement, and their cost and terms of payment, if any;
- (b) a description of the procurement, including the nature and the quantity of the goods or services to be procured or, where the quantity is not known, the estimated quantity;
- (c) the procurement method that will be used and whether it will involve negotiation or electronic auction;
- (d) where applicable, the address and any final date for the submission of requests for participation in the procurement; and
- (e) the address and the final date for the submission of tenders.

3. The following information shall be made available through electronic means:

- (a) for recurring contracts, if possible, an estimate of the timing of subsequent notices of intended procurement;
- (b) a description of any options;
- (c) the time-frame for delivery of goods or services or the duration of the contract;
- (d) a list and brief description of any conditions for participation of suppliers, including any requirements for specific documents or certifications to be provided by suppliers in connection therewith, unless

such requirements are included in tender documentation that is made available to all interested suppliers at the same time as the notice of intended procurement;

- (e) where, pursuant to Article 8.8, a procuring entity intends to select a limited number of qualified suppliers to be invited to tender, the criteria that will be used to select them and, where applicable, any limitation on the number of suppliers that will be permitted to tender; and
- (f) an indication that the procurement is covered by this Chapter.

Notice of Planned Procurement

4. Each Party shall encourage its procuring entities to publish as early as possible in each Party's fiscal year, a notice regarding their procurement plans for that fiscal year. The notice should, at a minimum, include the subject-matter of the procurement and the planned date of the publication of the notice of the intended procurement according to the legislation of each Party.

ARTICLE 8.7: CONDITIONS FOR PARTICIPATION

1. A procuring entity shall limit any conditions for participation in a procurement to those that are essential to ensure that a supplier has the legal, commercial, technical and financial capacities to undertake the relevant procurement.

2. In assessing whether a supplier satisfies the conditions for participation, a procuring entity:

- (a) shall evaluate the financial, commercial and technical abilities of a supplier on the basis of that supplier's business activities both inside and outside the territory of the Party of the procuring entity;
- (b) shall base its evaluation solely on the conditions that a procuring entity has specified in advance in notices or tender documentation;
- (c) shall not impose the condition that, in order for a supplier to participate in a procurement or be awarded a contract, the supplier has previously been awarded one or more contracts by a procuring entity of that Party or that the supplier has prior work experience in the territory of that Party; and
- (d) may require prior experience where essential to meet the requirements of the procurement.

3. Where there is supporting evidence, a Party, including its procuring entities, may exclude a supplier on grounds such as:

- (a) bankruptcy;

- (b) false declarations;
- (c) significant or persistent deficiencies in performance of any substantive requirement or obligation under a prior contract or contracts;
- (d) final judgments in respect of serious crimes or other serious offences;
- (e) professional misconduct, acts or omissions that adversely reflect on the commercial integrity of the supplier; or
- (f) failure to pay taxes.

ARTICLE 8.8: REGISTRATION AND QUALIFICATION OF SUPPLIERS

Registration Systems and Qualification Procedures

1. Where a Party, including its procuring entities, requires suppliers to register or pre-qualify before being permitted to participate in a covered procurement, that Party, including its procuring entities, shall ensure that a notice inviting suppliers to apply for registration or pre-qualification is published in adequate time to enable interested suppliers to initiate and, to the extent that it is compatible with the efficient operation of the procurement process, complete the registration and/or qualification procedures.

Selective Tendering

2. Where a Party's law allows the use of selective tendering procedures, a procuring entity shall, for each intended procurement:

- (a) publish a notice inviting suppliers to apply for participation in the procurement sufficiently in advance to provide interested suppliers time to prepare and submit applications and for the entity to evaluate, and make its determinations based on such applications; and
- (b) allow all domestic suppliers and suppliers of the other Party that the entity has determined satisfy the conditions for participation to submit a tender, unless the entity has stated in the notice of intended procurement or, where publicly available, in the tender documentation, a limitation on the number of suppliers that will be permitted to tender and the criteria for such a limitation.

Lists of Suppliers

3. A procuring entity may establish a list of suppliers, provided that the entity annually publishes or otherwise makes available continuously in electronic form a notice inviting interested suppliers to apply for inclusion on the list. A notice inviting suppliers to apply for inclusion in a list of suppliers, shall include the name and address of that competent or procuring entity and other information necessary to contact the entity and obtain all relevant information and document relating to inclusion in the list. Entities shall make available:

- (a) a description of the goods and services, or categories thereof, for which the list may be used;
- (b) the conditions for participation to be satisfied by suppliers and the methods that the procuring entity will use to verify a supplier's satisfaction of those conditions; and
- (c) the period of validity of the list and the means for its renewal or termination, or where the period of validity is not provided, an indication of the method by which notice will be given of the termination of use of the list.

4. A procuring entity shall allow suppliers to apply at any time for inclusion on a list of suppliers and shall include on the list all qualified suppliers within a reasonably short time.

5. Where a supplier that is not included on a list of suppliers submits a request for participation in a procurement based on a list of suppliers and all required documents relating thereto, within the time-period provided for in Article 8.9, a procuring entity shall examine the request if it is determined to be a qualifying supplier, provided there is sufficient time to fulfill the conditions for participation, unless, in exceptional cases, due to the complexity of the procurement, that entity is not able to complete the examination of the request within the time-period allowed for the submission of tenders.

ARTICLE 8.9: TIME PERIODS

1. A procuring entity shall provide suppliers sufficient time to submit applications to participate in a covered procurement, and prepare and submit responsive tenders, taking into account the nature and complexity of the procurement.

2. If a procuring entity that uses selective tendering establishes a final date for the submission of requests for participation, it shall set a reasonable deadline allowing sufficient time for interested suppliers to fulfil the formal requirements for participation in the tender. Under no circumstance shall this time-period be less than 10 days.

3. Except as provided for in paragraphs 4 and 5, a procuring entity shall establish that the final date for the submission of tenders shall not be less than 40 days from the date on which:

- (a) in the case of open tendering, the notice of intended procurement is published; or
- (b) in the case of selective tendering, the entity notifies suppliers that they will be invited to submit tenders whether or not it uses a list of suppliers.

4. A procuring entity may reduce the time-period for tendering set out in paragraph 3 to not less than 10 days where:

- (a) the procuring entity has published a notice in an electronic medium listed in Annex 8-C, containing the information specified in Article 8.6.4 at least 40 days and not more than 12 months in advance;
- (b) in the case of the second or subsequent publication of notices for procurement of a recurring nature;
- (c) a state of urgency duly substantiated by the procuring entity renders such time-period impracticable; or
- (d) a procuring entity procures commercial goods and services that are sold or offered for sale to, and customarily purchased and used by, non-governmental buyers for non-governmental purposes.

5. A procuring entity may reduce the time-period for tendering set out in paragraph 3 by five days for each one of the following circumstances:

- (a) the notice of intended procurement is published by electronic means;
- (b) all the tender documentation is made available by electronic means from the date of the publication of the notice of intended procurement; and
- (c) the tenders may be received by electronic means by the procuring entity.

6. The use of paragraph 5, in conjunction with paragraph 4, shall in no case result in the reduction of the time-period for tendering set out in paragraph 3 to less than 10 days from the date on which the notice of intended procurement is published.

ARTICLE 8.10: INFORMATION ON INTENDED PROCUREMENTS

Tender Documentation

1. A procuring entity shall promptly provide to any supplier interested in participating in a procurement tender documentation that includes all information necessary to permit suppliers to prepare and submit responsive tenders.

2. Unless already provided in the notice of intended procurement, such documentation shall include a complete description of:

- (a) the procurement, including the nature and the quantity of the goods or services to be procured or, where the quantity is not known, the estimated quantity and any requirements to be fulfilled, including any technical specifications, conformity assessment certification, plans, drawings or instructional materials;
- (b) any conditions for participation of suppliers, including any financial guarantees, information, and documents that suppliers are required to submit;

- (c) all evaluation criteria to be considered in the awarding of the contract, and, except where price is the sole criterion, the relative importance of such criteria;
- (d) where a procuring entity may hold an electronic auction, the rules, including identification of the elements of the tender related to the evaluation criteria, on which the auction will be conducted;
- (e) where there will be a public opening of tenders, the date, time, and place for the opening of tenders, where appropriate, the persons authorized to be present;
- (f) any other terms or conditions, including terms of payment and any limitation on the means by which tenders may be submitted, e.g., paper or electronic means; and
- (g) any dates for the delivery of goods or the supply of services.

3. A procuring entity shall promptly reply to any reasonable request for relevant information made by any interested or participating supplier in the procurement, provided that such information does not give that supplier an advantage over other suppliers and that the request was presented within the corresponding time periods.

4. If the legislation of a Party conducting a tendering procedure allows tenders to be submitted in several languages, one of those languages shall be English.

Technical Specifications

5. A procuring entity shall not prepare, adopt or apply any technical specification or prescribe any conformity assessment procedure with the purpose or the effect of creating unnecessary obstacles to international trade between the Parties.

6. In prescribing the technical specifications for the goods or services being procured, a procuring entity shall, where appropriate:

- (a) set out the technical specifications in terms of performance and functional requirements, rather than design or descriptive characteristics; and
- (b) base the technical specifications on international standards, where such exist; otherwise, on national technical regulations, recognised national standards or building codes.

7. Where design or descriptive characteristics are used in the technical specifications, a procuring entity shall indicate, where appropriate, that it will consider tenders of equivalent goods or services that demonstrably fulfill the requirements of the procurement by including words such as "or equivalent" in the tender documentation.

8. A procuring entity shall not prescribe technical specifications that require or refer to a particular trademark or trade name, patent, copyright, design, type, specific

origin, producer or supplier, unless there is no other sufficiently precise or intelligible way of describing the procurement requirements and provided that, in such cases, the entity includes words such as "or equivalent" in the tender documentation.

9. A procuring entity shall not seek or accept, in a manner that would have the effect of precluding competition, advice that may be used in the preparation or adoption of any technical specification for a specific procurement from a person that may have a commercial interest in the procurement.

10. For greater certainty, a procuring entity may, in accordance with this Article, prepare, adopt or apply technical specifications to promote the conservation of natural resources or protect the environment.

Modifications

11. Where, in the course of a procurement, a procuring entity modifies the criteria or technical requirements set out in a notice of intended procurement or tender documentation provided to participating suppliers or amends or reissues a notice or tender documentation according to the legislation of each Party, it shall transmit in writing all such modifications or amended or reissued notice or tender documentation:

- (a) to all the suppliers that are participating at the time of the modification, amendment, or reissuance if the identities of such suppliers are known, and, in all other cases, in the same manner that the original information was transmitted; and
- (b) in adequate time to allow such suppliers to modify and resubmit amended tenders, as appropriate.

ARTICLE 8.11: LIMITED TENDERING

1. Provided that it does not use this provision for the purposes of avoiding competition among suppliers or in a manner that discriminates against suppliers of the other Party or protects domestic suppliers, a procuring entity may use limited tendering under the following circumstances:

- (a) provided that the requirements of the tender documentation are not substantially modified where:
 - (i) no tenders were submitted or no suppliers requested participation;
 - (ii) no tenders that conform to the essential requirements of the tender documentation were submitted;
 - (iii) no suppliers satisfied the conditions for participation; or
 - (iv) the tenders submitted have been collusive;

- (b) where the goods or services can be supplied only by a particular supplier and no reasonable alternative or substitute goods or services exist for any of the following reasons:
 - (i) the requirement is for a work of art;
 - (ii) the protection of intellectual property rights or other exclusive rights; or
 - (iii) due to an absence of competition for technical reasons;
- (c) for additional deliveries by the original supplier of goods or services that were not included in the initial procurement where:
 - (i) a change of supplier for such additional goods or services cannot be made for economic or technical reasons such as requirements of interchangeability or interoperability with existing equipment, software, services or installations procured under the initial procurement; and
 - (ii) such separation would cause significant inconvenience or substantial duplication of costs for the procuring entity;
- (d) insofar as is strictly necessary where, for reasons of extreme urgency brought about by events unforeseeable by the procuring entity, the goods or services could not be obtained in time using open tendering or selective tendering;
- (e) for goods purchased on a commodity market;
- (f) where a procuring entity procures a prototype or a first good or service that is developed at its request in the course of, and for, a particular contract for research, experiment, study or original development. Original development of a first good or service may include limited production or supply in order to incorporate the results of field testing and to demonstrate that the good or service is suitable for production or supply in quantity to acceptable quality standards, but does not include quantity production or supply to establish commercial viability or to recover research and development costs;
- (g) where a contract is awarded to a winner of a design contest provided that:
 - (i) the contest has been organized in a manner that is consistent with the principles of this Chapter, in particular relating to the publication of a notice of intended procurement; and
 - (ii) the participants are judged by an independent jury with a view to a design contract being awarded to a winner;

- (h) where additional construction services that were not included in the initial contract, but fell under the objectives of the original tender documentation have, due to unforeseeable circumstances, become necessary to complete the construction services described therein; and
 - (i) in the cases established by each Party in Annex 8-A.
- 2. For each contract awarded under paragraph 1, a procuring entity shall maintain records or prepare a written report that includes:
 - (a) the name of the procuring entity;
 - (b) the value and kind of goods or services procured; and
 - (c) a statement indicating the circumstances and conditions described in paragraph 1 that justify the use of limited tendering.

ARTICLE 8.12: ELECTRONIC AUCTIONS

Where a procuring entity intends to conduct a covered procurement using an electronic auction, the entity may provide each participant, before commencing the electronic auction, with:

- (a) the automatic evaluation method, including the mathematical formula, that is based on the evaluation criteria set out in the tender documentation and that will be used in the automatic ranking or re-ranking during the auction;
- (b) the results of any initial evaluation of the elements of its tender where the contract is to be awarded on the basis of the most advantageous tender; and
- (c) any other relevant information relating to the conduct of the auction.

ARTICLE 8.13: NEGOTIATION

- 1. A Party may provide for its procuring entities to conduct negotiations, where:
 - (a) the entity has indicated its intent to conduct negotiations in the notice of intended procurement required under Article 8.6; or
 - (b) it appears from the evaluation that no tender is obviously the most advantageous in terms of the specific evaluation criteria set out in the notice of intended procurement or tender documentation.
- 2. A procuring entity shall:

- (a) ensure that any elimination of suppliers participating in negotiations is carried out in accordance with the evaluation criteria set out in the notice of intended procurement or tender documentation; and
- (b) where negotiations are concluded, provide a common deadline for the remaining participating suppliers to submit any new or revised tenders.

ARTICLE 8.14: TREATMENT OF TENDERS AND AWARDING OF CONTRACTS

Receipt and Opening of Tenders

1. A procuring entity shall receive, open and treat all tenders under procedures that guarantee the fairness and impartiality of the procurement process.
2. A procuring entity shall treat all tenders in confidence until at least the opening of the tenders. In particular, the procuring entity shall not provide information to particular suppliers that might prejudice fair competition between suppliers.
3. According with the legislation of a Party, a procuring entity shall receive a tender after the time specified for receiving tenders if the delay is due solely to an event unforeseen by the procuring entity.
4. Where a procuring entity provides suppliers with opportunities to correct errors of form, the entity shall provide the same opportunities to all participating suppliers.

Awarding of Contracts

5. A procuring entity shall require that in order to be considered for an award, a tender shall be submitted in writing and shall, at the time of opening, comply with the essential requirements set out in the notices and tender documentation and be from a supplier that satisfies the conditions for participation.
6. Unless a procuring entity determines that it is not in the public interest to award a contract, the entity shall award the contract to the supplier that it has determined to be capable of fulfilling the term of the contract and, based solely on the evaluation criteria specified in the notices and tender documentation, has submitted:
 - (a) the most advantageous tender; or
 - (b) where price is the sole criterion, the lowest price.
7. Where a procuring entity receives a tender with a price that is abnormally lower than the prices in other tenders submitted, it may verify with the supplier that it satisfies the conditions for participation and is capable of fulfilling the terms of the contract.
8. A procuring entity may not cancel a covered procurement, or terminate or modify awarded contracts in a manner that circumvents this Chapter.

ARTICLE 8.15: POST-AWARD INFORMATION

1. A procuring entity shall promptly inform suppliers that have submitted tenders of its contract award decision. A procuring entity shall, upon request, provide an unsuccessful supplier with the reasons that the entity did not select that supplier's tender and the relative advantages of the successful supplier's tender.

2. After the award of each contract covered by this Chapter, a procuring entity shall as early as possible, according to the time limit established in each Party's legislation publish a notice in the appropriate paper or electronic medium listed in Annex 8-C. Where the entity publishes the notice only in an electronic medium, the information shall remain readily accessible for a reasonable period of time. The notice shall include at least the following information:

- (a) a description of the goods or services procured;
- (b) the name and address of the procuring entity;
- (c) the name of the successful supplier;
- (d) the value of the successful tender;
- (e) the date of award or the contract date; and
- (f) the type of procurement method used and in cases where limited tendering was used in accordance with Article 8.11, a description of the circumstances justifying the use of limited tendering, which may be made available in the corresponding files or electronic media.

3. Each procuring entity shall, for a period of at least three years from the date it awards a contract, maintain:

- (a) records and reports of tendering procedures and contract awards relating to covered procurement, including the records or reports required under Article 8.11; and
- (b) where the procuring entity conducts procurement entirely by electronic means, data that ensure the appropriate traceability of the conduct of covered procurement.

ARTICLE 8.16: DOMESTIC REVIEW PROCEDURES

1. Each Party shall provide a timely, effective, transparent, and non-discriminatory administrative or judicial review procedure through which a supplier may present a challenge with respect to the obligations of a Party and its entities under this Chapter that may arise in the context of a covered procurement, in which the supplier has, or has had, an interest. The procedural rules for all challenges shall be in writing and made generally available.

2. Each supplier shall be allowed a sufficient period of time to prepare and submit a challenge, which in no case shall be less than 10 days from the time when the basis of the challenge became known or reasonably should have become known to the supplier.

3. Each Party shall maintain at least one impartial administrative or judicial authority that is independent of its procuring entities to receive and review, in a non-discriminatory, timely, transparent and effective manner, complaints that a supplier of a Party submits, in accordance with the Party's law, relating to a covered procurement.

4. Where a body other than an authority referred to in paragraph 3 initially reviews a challenge, the Party shall ensure that the supplier may appeal the initial decision to an impartial administrative or judicial authority that is independent of the procuring entity whose procurement is the subject of the challenge.

5. A review body that is not a court shall either be subject to judicial review or have procedures that provide that:

- (a) the procuring entity shall respond in writing to the challenge and disclose all relevant documents to the review body;
- (b) the participants to the proceedings (hereinafter referred to as the "participants") shall have the right to be heard prior to a decision of the review body being made on the challenge;
- (c) the participants shall have the right to be represented and accompanied;
- (d) the participants shall have access to all proceedings;
- (e) the participants shall have the right to request that the proceedings take place in public and that witnesses may be presented; and
- (f) decisions or recommendations relating to supplier challenges shall be provided to interested supplier, within a reasonable time, in writing, with an explanation of the basis for each decision or recommendation.

6. Each Party shall adopt or maintain procedures that provide for:

- (a) rapid interim measures to preserve the supplier's opportunity to participate in the procurement. Such interim measures may result in suspension of the procurement process. The procedures may provide that overriding adverse consequences for the interests concerned, including the public interest, may be taken into account when deciding whether such measures should be applied. Just cause for not acting shall be provided in writing; and
- (b) corrective action or compensation for the loss or damages suffered, in accordance with each Party's legislation, in cases where a review body has determined that there has been a breach or a failure as set out in paragraph 1.

ARTICLE 8.17: MICRO, SMALL, AND MEDIUM ENTERPRISES' PARTICIPATION

1. The Parties recognize the importance of the participation of micro, small, and medium-sized enterprises (hereinafter referred to as the "MSMEs") in government procurement and of business alliances between suppliers of each Party, and in particular of MSMEs, including the joint participation in tendering procedures.
2. The Parties shall be able to adopt, develop, maintain or implement measures to promote opportunities on procurement policies for the development of its MSMEs; including preferential rules.

ARTICLE 8.18: COOPERATION AND TECHNICAL ASSISTANCE ON GOVERNMENT PROCUREMENT

1. The Parties agree that it is in their common interest to promote cooperation and technical assistance initiatives on issues related to government procurement.
2. The Parties shall endeavour to cooperate in matters such as:
 - (a) exchange of experiences and information, such as regulatory frameworks and best practices in the fields of sustainable procurement and innovation procurement;
 - (b) capacity building and technical assistance to suppliers with respect to access to the government procurement market;
 - (c) knowledge and technology transfer for procurement entities in order to improve institutional capabilities; and
 - (d) improving processes for electronic procurement.

ARTICLE 8.19: RECTIFICATIONS AND MODIFICATIONS TO COVERAGE

1. A Party may make rectifications of a purely formal nature to its coverage under this Chapter, or minor amendments to its Schedules in Annex 8-A, provided that it notifies the other Party in writing and the other Party does not object in writing within 30 days of receipt of the notification. A Party that makes such a rectification or minor amendment need not provide compensatory adjustments to the other Party.
2. A Party may otherwise modify its coverage under this Chapter provided that it:
 - (a) notifies the other Party in writing and simultaneously offers in the notification appropriate compensatory adjustments to the other Party to maintain a level of coverage comparable to that existing prior to the modification where necessary; and

- (b) the other Party shall not object in writing within 30 days of receipt of the notification.

3. A Party need not provide compensatory adjustments in those circumstances where the Parties agree that the proposed modification covers a procuring entity over which a Party has effectively eliminated its control or influence. Where a Party objects to the assertion that such government control or influence has been effectively eliminated, the objecting Party shall object in writing within 30 days of receipt of the notification and may request further information or consultations with a view to clarifying the nature of any government control or influence and reaching agreement on the procuring entity's continued coverage under this Chapter.

4. Where the Parties concerned have agreed on rectification, minor amendment, adjustment or proposed modification, or where no objection has been made within 30 days of the receipt of the notification, the modifications shall be made in conformity with the provisions of paragraph 5.

5. The Joint Committee of the Agreement shall modify the relevant section of Annex 8-A to reflect any agreed rectification, minor amendment or modification.

ARTICLE 8.20: COMMITTEE ON GOVERNMENT PROCUREMENT

1. The Parties hereby establish a Committee on Government Procurement (hereinafter referred to as the "Committee") comprising representatives of each Party.

2. The Committee shall:

- (a) evaluate the implementation of this Chapter, including its application, and recommend to the Parties the appropriate activities;
- (b) coordinate the cooperation activities;
- (c) evaluate and follow up the activities related to cooperation that the Parties present;
- (d) work as an enquiry point for the purposes of the notifications under Article 8.19; and
- (e) carry out other functions as may be assigned by the Joint Committee or agreed by the Parties.

3. The Committee shall meet upon request of a Party or as mutually agreed by the Parties.

4. Meetings may be conducted in person or by any technological means available to the Parties.

ARTICLE 8.21: DEFINITIONS

For the purposes of this Chapter:

conditions for participation means registration, qualification, or other pre-requisites for participation in a procurement;

construction services means a service that has as its objective the realization by whatever means of civil or building works, based on Division 51 of the United Nations Provisional Central Product Classification;

electronic auction means an iterative process that involves the use of electronic means for the presentation by suppliers of either new prices, or new values for quantifiable non-price elements of the tender related to the evaluation criteria, or both, resulting in a ranking or re-ranking of tenders²;

in writing or **written** means any worded or numbered expression that can be read, reproduced and later communicated. It may include electronically transmitted and stored information;

limited tendering means a procurement method whereby the procuring entity contacts a supplier or suppliers of its choice;

list of suppliers means a list that a procuring entity has determined satisfy the conditions for participation in that list, and that the procuring entity intends to use more than once;

measure means any law, regulation, procedure, administrative guidance, practice or act of a procuring entity relating to a covered procurement;

notice of intended procurement means a notice published by a procuring entity inviting interested suppliers to submit a request for participation, a tender, or both;

offset means any condition or undertaking that encourages local development or improves a Party's balance-of-payments accounts, such as the use of domestic content, the licensing of technology, investment, counter-trade and similar action or requirement;

open tendering means a procurement method whereby all interested suppliers may submit a tender;

person means a natural person or a juridical person;

procuring entity means an entity covered under a Party's Annex 8-A;

qualified supplier means a supplier that a procuring entity recognizes as having satisfied the conditions for participation;

selective tendering means a procurement method whereby only qualified suppliers are invited by the procuring entity to submit a tender;

² The definition of electronic auction shall not apply between Korea and Panama, until it is reviewed and agreed in the Committee.

services includes construction services, unless otherwise specified;

standard means a document approved by a recognized body that provides for common and repeated use, rules, guidelines or characteristics for goods or services, or related processes and production methods, with which compliance is not mandatory. It may also include or deal exclusively with terminology, symbols, packaging, marking or labelling requirements as they apply to a good, service, process or production method;

supplier means a person or group of persons that provides or could provide goods or services to a procuring entity; and

technical specification means a tendering requirement that:

- (a) lays down the characteristics of goods or services to be procured, including quality, performance, safety and dimensions, or the processes and methods for their production or provision; or
- (b) addresses terminology, symbols, packaging, marking or labelling requirements, as they apply to a good or service.

ANNEX 8-A
COVERAGE¹

Section A:
CENTRAL GOVERNMENT ENTITIES

A. SCHEDULE OF KOREA

Chapter 8 shall apply to the entities of central level of government which procure in accordance with the provisions of such Chapter, where the value of the procurement equals or exceeds:

GOODS

Threshold: SDR 130 000

SERVICES

Threshold: SDR 130 000

CONSTRUCTION SERVICES

Threshold: SDR 5 000 000

Build-operate-transfer (BOT)

Threshold: SDR 5 000 000

LIST OF ENTITIES

1. Board of Audit and Inspection;
2. Office for Government Policy Coordination;
3. Prime Minister's Secretariat;
4. Ministry of Strategy and Finance;
5. Ministry of Education;
6. Ministry of Science, ICT and Future Planning;
7. Ministry of Foreign Affairs;
8. Ministry of Unification;
9. Ministry of Justice;
10. Ministry of National Defense;
11. Ministry of the Interior;

¹ Panama agrees to review the list of entities with the aim of adding more entities to such list, whenever possible due to change of circumstances. Korea shall not be subject to the compensatory adjustment under Article 8.19 (Rectifications and Modifications to Coverage).

12. Ministry of Culture, Sports and Tourism;
13. Ministry of Agriculture, Food and Rural Affairs;
14. Ministry of Trade, Industry and Energy;
15. Ministry of Health and Welfare;
16. Ministry of Environment;
17. Ministry of Employment and Labor;
18. Ministry of Gender Equality and Family;
19. Ministry of Land, Infrastructure and Transport;
20. Ministry of Oceans and Fisheries;
21. Fair Trade Commission;
22. Financial Services Commission;
23. Anti-corruption and Civil Rights Commission;
24. Korea Communications Commission;
25. National Human Rights Commission;
26. Ministry of Public Safety and Security (except purchases for the purpose of maintaining public order, as provided in Article 8.3 (Exceptions) of the Agreement);
27. Ministry of Personnel Management;
28. Ministry of Government Legislation;
29. Ministry of Patriots and Veterans Affairs;
30. Ministry of Food and Drug Safety;
31. National Tax Service;
32. Korea Customs Service;
33. Public Procurement Service (Note 3);
34. Statistics Korea;
35. Supreme Prosecutors' Office;
36. Military Manpower Administration;
37. Defense Acquisition Program Administration;
38. National Police Agency (except purchases for the purpose of maintaining public order, as provided in Article 8.3 (Exceptions) of the Agreement);
39. Cultural Heritage Administration;
40. Rural Development Administration;
41. Korea Forest Service;
42. Small and Medium Business Administration;
43. Korean Intellectual Property Office;
44. Korea Meteorological Administration;
45. National Agency for Administrative City Construction.

Notes to Section 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. Chapter 8 shall 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. Where the Public Procurement Service conducts procurement on behalf of an entity listed in Section B or Section C, the scope of coverage and threshold for such entity applies.

B. SCHEDULE OF COSTA RICA

Chapter 8 shall apply to the entities of central level of government which procure in accordance with the provisions of such Chapter, where the value of the procurement equals or exceeds:

GOODS

Threshold: SDR 130 000

SERVICES

Specified in Section E

Threshold: SDR 130 000

CONSTRUCTION SERVICES

Specified in Section F

Threshold: SDR 5 000 000

BOT AND PUBLIC WORK CONCESSIONS

Threshold: SDR 5 000 000

LIST OF ENTITIES

- | | | |
|----|--|-------------------------------------|
| 1. | Contraloría General de la República | General Comptroller of the Republic |
| 2. | Defensoría de los Habitantes de la República | Ombudsman of the Republic |
| 3. | Presidencia de la República | Presidency of the Republic |
| 4. | Ministerio de la Presidencia | Ministry of Presidency |
| 5. | Ministerio de Relaciones Exteriores y Culto | Ministry of Foreign Affairs |
| 6. | Ministerio de Agricultura y | Ministry of Agriculture |

	Ganadería	
7.	Ministerio de Economía, Industria y Comercio	Ministry of Economy, Industry and Trade
8.	Ministerio de Salud	Ministry of Health
9.	Ministerio de Trabajo y Seguridad Social	Ministry of Work and Social Welfare
10.	Ministerio de Cultura y Juventud	Ministry of Culture and Youth
11.	Ministerio de Vivienda y Asentamientos Humanos	Ministry of Housing
12.	Ministerio de Comercio Exterior	Ministry of Foreign Trade
13.	Ministerio de Planificación Nacional y Política Económica	Ministry of National Planning and Economical Policy
14.	Ministerio de Ciencia, Tecnología y Telecomunicaciones	Ministry of Science, Technology and Telecommunications
15.	Ministerio de Ambiente, Energía	Ministry of Environment and Energy
16.	Instituto Costarricense del Deporte y la Recreación	Costa Rican Institute of Sports and Recreation
17.	Instituto Costarricense de Turismo	Costa Rica Institute of Tourism
18.	Instituto Nacional de las Mujeres	National Institute for Women
19.	Ministerio de Gobernación y Policía	Ministry of Governance and Policy
20.	Ministerio de Seguridad Pública ¹	Ministry of Public Security
21.	Ministerio de Hacienda ²	Ministry of Finances
22.	Ministerio de Educación Pública ³	Ministry of Public Education
23.	Ministerio de Obras Públicas y Transportes	Ministry of Public Works and Transportation

Note to Section A

1. Ministerio de Seguridad Pública (Ministry of Public Security): Chapter 8 does not cover the procurement of goods classified under Section 2 (food products, beverages and tobacco; textiles, apparel and leather products) of the United Nations Central Product Classification 1.0 (CPC, version 1.0), for the Fuerza Pública.
2. Ministerio de Hacienda (Ministry of Finances): Chapter 8 shall not cover the issuance of tax stamps.
3. Ministerio de Educación Pública (Ministry of Public Education): Chapter 8 shall not cover procurement made in furtherance of school feeding programs.

C. SCHEDULE OF EL SALVADOR

Chapter 8 shall apply to the entities of central level of government which procure in accordance with the provisions of such Chapter, where the value of the procurement equals or exceeds:

GOODS

Threshold: 130 000 SDR; or for the three year period following the date of entry into force, SDR 260 000.

SERVICES

Specified in Section E

Threshold: 130 000 SDR; or for the three year period following the date of entry into force, SDR 260 000.

CONSTRUCTION SERVICES

Specified in Section F

Threshold: 5 000 000 SDR; or for the three year period following the date of entry into force, SDR 5 950 000.

LIST OF ENTITIES

1.	Ministerio de Hacienda	Ministry of Finance
2.	Ministerio de Relaciones Exteriores	Ministry of Foreign Affairs
3.	Ministerio de Trabajo y Previsión Social	Ministry of Labor and Social Welfare
4.	Ministerio de Economía	Ministry of Economy
5.	Ministerio del Medio Ambiente y Recursos Naturales	Ministry of Environment and Natural Resources
6.	Ministerio de Agricultura y Ganadería	Ministry of Agriculture and Livestock
7.	Ministerio de Gobernación y Desarrollo Territorial	Ministry of Interior and Territorial Development
8.	Ministerio de Defensa (Note 1)	Ministry of Defense

Note to Section A

1. Ministerio de Defensa (Ministry of Defense): Chapter 8 does not cover the procurement of goods classified under Section 2 (food products, beverages and tobacco; textiles, apparel and leather products) of the United Nations Central Product Classification 1.1 (CPC, version 1.1).

D. SCHEDULE OF HONDURAS

1. Chapter 8 shall apply to the entities of central level of government which procure in accordance with the provisions of such Chapter, where the value of the procurement equals or exceeds:

GOODS

Thresholds: SDR 130 000

SERVICES

Specified in Section E

Thresholds: SDR 130 000

CONSTRUCTION SERVICES

Specified in Section F

Thresholds: SDR 5 000 000

2. Chapter 8 shall apply only to the entities in the following list:

LIST OF ENTITIES

- | | | |
|-----|--|--|
| 1. | Secretaría de Derechos Humanos, Justicia, Gobernación y Descentralización. | Secretariat of Human Rights, Justice, Interior and Decentralization. |
| 2. | Secretaría de Salud | Secretariat of Health |
| 3. | Secretaría de Relaciones Exteriores y Cooperación Internacional | Secretariat of Foreign Affairs and International Cooperation |
| 4. | Secretaría de Finanzas | Secretariat of Finance |
| 5. | Secretaría de Desarrollo Económico | Secretariat of Economic Development |
| 6. | Secretaría de Infraestructura y Servicios Públicos | Secretariat of Infrastructure and Public Utilities |
| 7. | Secretaría de Trabajo y Seguridad Social | Secretariat of Labor and Social Security |
| 8. | Secretaría de Agricultura y Ganadería | Secretariat of Agriculture and Livestock |
| 9. | Secretaría de Energía, Recursos Naturales, Ambiente y Minas | Secretariat of Energy, Natural Resources, Environment and Mining |
| 10. | Secretaría de Turismo ² | Secretariat of Tourism |
| 11. | Secretaría de Coordinación General de Gobierno | Secretariat of General Coordination of Government |
| 12. | Secretaría de Desarrollo e Inclusión Social | Secretariat of Development and Social Inclusion |
| 13. | Secretaría de Educación (nota 1) | Secretariat of Education (note 1) |
| 14. | Secretaría de Seguridad (nota 2) | Secretariat of Security (note 2) |
| 15. | Secretaría de la Presidencia (nota 1) | Secretariat of the Presidency (note 1) |
| 16. | Secretaría de Defensa Nacional | Secretariat of National Defense (note 3) |

² According to Decree PCM 001-2014.

(nota 3)

Notes to Section A

1. Secretaría de Educación y Secretaría de la Presidencia (Secretariat of Education and the Secretariat of the Presidency Office): Chapter 8 does not cover procurement made in furtherance of school feeding programs.
2. Secretaría de Seguridad (Secretariat of Security): Chapter 8 does not cover procurement of uniforms, shoes, food and tobacco for the Policía Nacional (National Police).
3. Secretaría de Defensa Nacional (Secretariat of National Defense): The Chapter shall not apply to procurement of goods classified under Section 2 (food products, beverages and tobacco, textiles, clothing and leather products) of the Central Classification Product 1.0 (CPC version 1.0) of the United Nations, for the Fuerzas Armadas de Honduras (Armed Forces of Honduras). Chapter 8 does not cover the procurement of the following goods, or the procurement of uniforms of the Fuerzas Armadas de Honduras (Armed Forces of Honduras) and the Policía Nacional (National Police):
 - a. Ammunition
 - b. War (combat) airplanes
 - c. Military rifles
 - d. Pistols and guns of any kind, 41 caliber or more
 - e. Honduran army regulation pistols
 - f. Silencers for all kinds of firearms
 - g. Firearms
 - h. Accessories and ammunition
 - i. Cartridges for firearms
 - j. Equipment and other accessories essential for cartridge loading
 - k. Gunpowder, explosives, blasting caps and fuses
 - l. Protective masks against asphyxiating gases
 - m. Air guns
4. Unless otherwise specified, Chapter 8 covers all agencies subordinate to the entities listed in each Party's Schedule in this Section, provided they do not have separate legal personality.

E. SCHEDULE OF NICARAGUA

1. Chapter 8 shall apply to the entities of central level of government which procure in accordance with the provisions of such Chapter, where the value of the procurement equals or exceeds:

GOODS

Thresholds: SDR 130 000; or for the three year period following the date of entry into force of this Agreement, SDR 260 000.

SERVICES

Specified in Section E

Thresholds: SDR 130 000; or for the three year period following the date of entry into force of this Agreement, SDR 260 000.

CONSTRUCTION SERVICES

Specified in Section F

Thresholds: SDR 5 000 000; or for the three year period following the date of entry into force of this Agreement, SDR 6 000 000.

2. Chapter 8 shall apply only to the entities in the following list:

LIST OF ENTITIES

- | | | |
|-----|---|---|
| 1. | Ministerio de Gobernación (note 1) | Ministry of Governance |
| 2. | Ministerio de la Familia, Adolescencia y Niñez (note 2) | Ministry of Family, Youth and Children |
| 3. | Ministerio de Relaciones Exteriores | Ministry of Foreign Affairs |
| 4. | Ministerio Agropecuario (note 3) | Ministry of Agriculture |
| 5. | Ministerio de Educación (note 4) | Ministry of Education |
| 6. | Ministerio de Fomento, Industria y Comercio | Ministry of Development, Industry and Trade |
| 7. | Ministerio del Trabajo | Ministry of Labor |
| 8. | Ministerio de Hacienda y Crédito Público | Ministry of Finance and Public Credit |
| 9. | Ministerio del Ambiente y de los Recursos Naturales | Ministry of Environment and Natural Resources |
| 10. | Ministerio de Defensa (note 5) | Ministry of Defense |
| 11. | Ministerio de Transporte e Infraestructura (note 6) | Ministry of Transport and Infrastructure |
| 12. | Ministerio de la Juventud | Youth Ministry |
| 13. | Ministerio de la Mujer | Ministry of Woman |

Notes to Section A

1. Ministerio de Gobernación (Ministry of Governance): Chapter 8 does not cover procurements related to production or issuance of passports (including its security elements such as security paper or security plastic).
2. Ministerio de la Familia, Adolescencia y Niñez (Ministry of Family, Youth and Children): Chapter 8 shall not apply to procurements made in furtherance of social

programs that benefit children, adolescents, elderly people, disability people and the families in general.

3. Ministerio Agropecuario (Ministry of Agriculture): Chapter 8 shall not apply to agricultural support programs or human feeding programs.
4. Ministerio de Educación (Ministry of Education): Chapter 8 shall not apply to procurements made in furtherance of programs that benefit the education sector, such as school feeding, school uniforms, basic bibliography and school supplies, tools for basic research and development.
5. Ministerio de Defensa (Ministry of Defense): Chapter 8 shall not cover procurements made by the Ministerio de Defensa for a transitional period of five year after the entry into force of this Agreement.
6. Ministerio de Transporte e Infraestructura (Ministry of Transport and Infrastructure): Chapter 8 shall not cover procurement made by the Ministerio de Transporte e Infraestructura for a transitional period of five year after the entry into force of this Agreement.

F. SCHEDULE OF PANAMA

Chapter 8 shall apply to the entities of central level of government which procure in accordance with the provisions of such Chapter, where the value of the procurement equals or exceeds:

GOODS

Specified in Section D

Threshold: SDR 130 000

SERVICES

Specified in Section E

Threshold: SDR 130 000

CONSTRUCTION SERVICES (including build-operate transfer contracts, hereinafter referred to as “BOT contracts”)

Specified in Section F

Threshold: SDR 5 000 000

LIST OF ENTITIES

Chapter 8 shall apply only to the following entities of central level of government:

1.	Ministerio de Ambiente	Ministry of Environment
2.	Ministerio de Comercio e Industrias	Ministry of Commerce and Industries
3.	Ministerio de Gobierno (Note 1)	Ministry of Government
4.	Ministerio de la Presidencia	Ministry of Presidency
5.	Ministerio de Trabajo y Desarrollo Laboral	Ministry of Labor and Labor Development

Note to Section A

This Section shall not cover procurement of the following goods and services, as classified in the United Nations Central Product Classification, version 1.0 (CPC ver. 1.0).

1. Ministerio de Gobierno (Ministry of Government): Chapter 8 shall not cover the procurement of goods and services listed below on behalf of the Dirección General del Sistema Penitenciario (General Direction of the Penitentiary System):
 - 21 - Meat, fish, fruit, vegetables, oils and fats;
 - 22 - Dairy products;
 - 23 - Grain mill products, starches and starch products; other food products;
 - 24 - Beverages;
 - 27 - Textile articles (other than apparel);
 - 282 - Wearing apparel (other than furriery);
 - 29 - Leather and leather products; footwear;
 - 431 - Engines and turbines and parts thereof;
 - 447 - Weapons and ammunition and parts thereof; and
 - 6323 - Caterer services, providing meals to outside.

Section B:

SUB-CENTRAL GOVERNMENT ENTITIES

A. SCHEDULE OF KOREA

Chapter 8 shall apply to the entities of the sub-central level of government which procure in accordance with the provisions of such Chapter, where the value of the procurement equals or exceeds:

GOODS

Threshold: SDR 200 000	Group A
SDR 400 000	Group B

SERVICES

Threshold: SDR 200 000	Group A
SDR 400 000	Group B

CONSTRUCTION SERVICES

Threshold: SDR 15 000 000

Build-operate-transfer (BOT)

Threshold: SDR 15 000 000

LIST OF ENTITIES:

1. GROUP A:

- 1.1. Seoul Metropolitan Government;
- 1.2. Busan Metropolitan City;
- 1.3. Daegu Metropolitan City;
- 1.4. Incheon Metropolitan City;
- 1.5. Gwangju Metropolitan City;
- 1.6. Daejeon Metropolitan City;
- 1.7. Ulsan Metropolitan City;
- 1.8. Gyeonggi-do;
- 1.9. Gangwon-do;
- 1.10. Chungcheongbuk-do;
- 1.11. Chungcheongnam-do;
- 1.12. Jeollabuk-do;
- 1.13. Jeollanam-do;
- 1.14. Gyeongsangbuk-do;
- 1.15. Gyeongsangnam-do;
- 1.16. Jeju Special Self-Governing Province.

2. GROUP B:

2.1. Local governments in Seoul Metropolitan Government:

- 2.1.1. Jongno-gu;
- 2.1.2. Jung-gu;
- 2.1.3. Yongsan-gu;
- 2.1.4. Seongdong-gu;
- 2.1.5. Gwangjin-gu;
- 2.1.6. Dongdaemun-gu;
- 2.1.7. Jungnang-gu;
- 2.1.8. Seongbuk-gu;
- 2.1.9. Gangbuk-gu;
- 2.1.10. Dobong-gu;
- 2.1.11. Nowon-gu;
- 2.1.12. Eunpyeong-gu;
- 2.1.13. Seodaemun-gu;
- 2.1.14. Mapo-gu;
- 2.1.15. Yangcheon-gu;
- 2.1.16. Gangseo-gu;
- 2.1.17. Guro-gu;
- 2.1.18. Geumcheon-gu;
- 2.1.19. Yeongdeungpo-gu;
- 2.1.20. Dongjak-gu;
- 2.1.21. Gwanak-gu;
- 2.1.22. Seocho-gu;
- 2.1.23. Gangnam-gu;
- 2.1.24. Songpa-gu;
- 2.1.25. Gangdong-gu.

2.2. Local governments in Busan Metropolitan City:

- 2.2.1. Jung-gu;
- 2.2.2. Seo-gu;
- 2.2.3. Dong-gu;
- 2.2.4. Yeongdo-gu;
- 2.2.5. Busanjin-gu;
- 2.2.6. Dongnae-gu;
- 2.2.7. Nam-gu;
- 2.2.8. Buk-gu;
- 2.2.9. Haeundae-gu;
- 2.2.10. Saha-gu;
- 2.2.11. Geumjeong-gu;
- 2.2.12. Gangseo-gu;
- 2.2.13. Yeonje-gu;
- 2.2.14. Suyeong-gu;
- 2.2.15. Sasang-gu;
- 2.2.16. Gijang-gun.

2.3. Local governments in Incheon Metropolitan City:

- 2.3.1. Jung-gu;
- 2.3.2. Dong-gu;

- 2.3.3. Nam-gu;
- 2.3.4. Yeonsu-gu;
- 2.3.5. Namdong-gu;
- 2.3.6. Bupyeong-gu;
- 2.3.7. Gyeyang-gu;
- 2.3.8. Seo-gu;
- 2.3.9. Ganghwa-gun;
- 2.3.10. Ongjin-gun.

Notes to Section B

1. The above sub-central administrative government entities cover "subordinate organizations under direct control", "offices" and "branch offices", as prescribed in the relevant provisions of the Local Autonomy Act of the Republic of Korea. Any entity with a separate legal personality that is not listed in this Annex is not covered.
2. Chapter 8 shall not apply to any set-asides for small- and medium-sized businesses according the Act Relating to Contracts to Which the Local Government is a Party and its Presidential Decree.

B. SCHEDULE OF COSTA RICA

Chapter 8 shall apply to the entities of the sub-central level of government which procure in accordance with the provisions of such Chapter, where the value of the procurement equals or exceeds:

GOODS

Threshold: SDR 355 000

SERVICES

Specified in Section E

Threshold: SDR 355 000

CONSTRUCTION SERVICES

Specified in Section F

Threshold: SDR 15 000 000

BOT AND PUBLIC WORK CONCESSIONS

Threshold: SDR 15 000 000

LIST OF ENTITIES

Municipalities of:

1. Abangares
2. Acosta
3. Aguirre
4. Alajuela
5. Alajuelita
6. Alfaro Ruiz
7. Alvarado
8. Aserri
9. Atenas
10. Bagaces
11. Barba
12. Belén
13. Buenos Aires
14. Cañas
15. Carrillo
16. Cartago
17. Corredores
18. Coto Brus
19. Curridabat
20. Desamparados
21. Dota
22. El Guarco
23. Escazú
24. Esparza
25. Flores
26. Garabito
27. Goicoechea
28. Golfito
29. Grecia
30. Guácimo
31. Guatuso
32. Heredia
33. Hojancha
34. Jiménez
35. La Cruz
36. La Unión
37. León Cortés
38. Liberia
39. Limón
40. Los Chiles
41. Matina
42. Montes de Oca
43. Montes de Oro
44. Mora
45. Moravia
46. Nandayure
47. Naranjo

48. Nicoya
49. Oreamuno
50. Orotina
51. Osa
52. Palmares
53. Paraíso
54. Parrita
55. Pérez Zeledón
56. Poás
57. Pococí
58. Puntarenas
59. Puriscal
60. San Carlos
61. San Isidro
62. San José
63. San Mateo
64. San Pablo
65. San Rafael
66. San Ramón
67. Santa Ana
68. Santa Bárbara
69. Santa Cruz
70. Santo Domingo
71. Sarapiquí
72. Siquirres
73. Talamanca
74. Tarrazú
75. Tibás
76. Tilarán
77. Turrialba
78. Turrúbares
79. Upala
80. Valverde Vega
81. Vásquez de Coronado

C. SCHEDULE OF EL SALVADOR

Chapter 8 shall apply to the entities of the sub-central level of government which procure in accordance with the provisions of such Chapter, where the value of the procurement equals or exceeds:

GOODS

Threshold: 355 000 SDR; or for the three year period following the date of entry into force, SDR 482 000

SERVICES

Specified in Section E

Threshold: 355 000 SDR; or for the three year period following the date of entry into force, SDR 482 000

CONSTRUCTION SERVICES

Specified in Section F

Threshold: 15 000 000 SDR

LIST OF ENTITIES

Municipalities of:

1. Santiago Texacuangos
2. Sesorí
3. Nueva Guadalupe
4. Ciudad Arce
5. Santa Elena
6. San Agustín
7. Estanzuelas
8. Mercedes Umaña
9. Alegría
10. Nueva Granada
11. San Julián
12. San Alejo
13. Conchagua
14. Bolívar
15. San Rafael Obrajuelo
16. Tejutla
17. La Reina
18. Mejicanos
19. Ilopango
20. Acajutla
21. La Unión

D. SCHEDULE OF HONDURAS

Chapter 8 shall apply to the entities of sub-central level of government which procure in accordance with the provisions of such Chapter, where the value of the procurement equals or exceeds:

GOODS

Thresholds: SDR 400 000

SERVICES

Specified in Section E

Thresholds: SDR 400 000

CONSTRUCTION SERVICES

Specified in Section F

Thresholds: SDR 15 000 000

Chapter 8 shall only apply to entities listed in this list.

LIST OF ENTITIES

Municipalities of:

1. La Ceiba, Atlántida
2. El Porvenir, Atlántida
3. Esparta, Atlántida
4. Jutiapa, Atlántida
5. La Masica, Atlántida
6. San Francisco, Atlántida
7. Tela, Atlántida
8. Arizona, Atlántida
9. Balfate, Colón
10. Iriona, Colón
11. Limón, Colón
12. Sabá, Colón
13. Santa Fe, Colón
14. Santa Rosa de Aguán, Colón
15. Sonaguera, Colón
16. Tocoa, Colón
17. Bonito Oriental, Colón
18. Comayagua, Comayagua
19. Ajuterique, Comayagua
20. El Rosario, Comayagua
21. Esquías, Comayagua
22. Humuya, Comayagua
23. La Libertad, Comayagua
24. Lamaní, Comayagua
25. Lejamaní, Comayagua
26. La Trinidad, Comayagua
27. Meámbar, Comayagua
28. Minas de Oro, Comayagua
29. Ojos de Agua, Comayagua
30. San Jerónimo, Comayagua
31. San José de Comayagua, Comayagua
32. San José del Potrero, Comayagua
33. San Luis, Comayagua

34. San Sebastián, Comayagua
35. Siguatepeque, Comayagua
36. Villa de San Antonio, Comayagua
37. Las Lajas, Comayagua
38. Taulabé, Comayagua
39. Santa Rosa de Copán, Copán
40. Cabañas, Copán
41. Concepción, Copán
42. Corquín, Copán
43. Cucuyagua, Copán
44. Dolores, Copán
45. Dulce Nombre, Copán
46. El Paraíso, Copán
47. Florida, Copán
48. La Jigua, Copán
49. La Unión, Copán
50. Nueva Arcadía, Copán
51. San Agustín, Copán
52. San Antonio de Copán, Copán
53. San Jerónimo, Copán
54. San José, Copán
55. San Juan de Opoa, Copán
56. San Nicolás, Copán
57. San Pedro, Copán
58. Santa Rita, Copán
59. Trinidad, Copán
60. Veracruz, Copán
61. Choloma, Cortés
62. Omoa, Cortés
63. Pimienta, Cortés
64. Potrerillos, Cortés
65. Puerto Cortés, Cortés
66. San Antonio de Cortés, Cortés
67. San Francisco de Yojoa, Cortés
68. San Manuel, Cortés
69. Santa Cruz de Yojoa, Cortés
70. Villanueva, Cortés
71. La Lima, Cortés
72. Choluteca, Choluteca
73. Apacilagua , Choluteca
74. Concepción de María, Choluteca
75. Duyure, Choluteca
76. El Corpus, Choluteca
77. El Triunfo, Choluteca
78. Marcovia, Choluteca
79. Morolica, Choluteca
80. Namasigue, Choluteca
81. Orocuina, Choluteca
82. Pespire, Choluteca
83. San Antonio de Flores, Choluteca

84. San Isidro, Choluteca
85. San José, Choluteca
86. San Marcos de Colón, Choluteca
87. Santa Ana de Yusguare, Choluteca
88. Alauca, El Paraíso
89. Danlí, El Paraíso
90. El Paraíso, El Paraíso
91. Guinope, El Paraíso
92. Jacaleapa, El Paraíso
93. Liure, El Paraíso
94. Morocelí, El Paraíso
95. Oropolí, El Paraíso
96. Potrerillos, El Paraíso
97. San Antonio de Flores, El Paraíso
98. San Lucas, El Paraíso
99. San Matías, El Paraíso
100. Soledad, El Paraíso
101. Teupasenti, El Paraíso
102. Texíguat, El Paraíso
103. Vado Ancho, El Paraíso
104. Yauyupe, El Paraíso
105. Trojes, El Paraíso
106. Alubarén, Francisco Morazán
107. Cedros, Francisco Morazán
108. Curarén, Francisco Morazán
109. El Porvenir, Francisco Morazán
110. Guaimaca, Francisco Morazán
111. La Libertad, Francisco Morazán
112. La Venta, Francisco Morazán
113. Lepaterique, Francisco Morazán
114. Maraita, Francisco Morazán
115. Marale, Francisco Morazán
116. Nueva Armenia, Francisco Morazán
117. Ojojona, Francisco Morazán
118. Orica, Francisco Morazán
119. Reitoca, Francisco Morazán
120. Sabanagrande, Francisco Morazán
121. San Antonio de Oriente, Francisco Morazán
122. San Buenaventura, Francisco Morazán
123. San Ignacio, Francisco Morazán
124. San Juan de Flores, Francisco Morazán
125. San Miguelito, Francisco Morazán
126. Santa Ana, Francisco Morazán
127. Santa Lucía, Francisco Morazán
128. Talanga, Francisco Morazán
129. Tatumbla, Francisco Morazán
130. Valle de Angeles, Francisco Morazán
131. Villa de San Francisco, Francisco Morazán
132. Vallecillo, Francisco Morazán
133. Puerto Lempira, Gracias a Dios

134. Brus Laguna, Gracias a Dios
135. Ahuas, Gracias a Dios
136. Juan Francisco Bulnes, Gracias a Dios
137. Villeda Morales, Gracias a Dios
138. Wampusirpi, Gracias a Dios
139. La Esperanza, Intibucá
140. Camasca, Intibucá
141. Colomoncagua, Intibucá
142. Concepción, Intibucá

E. SCHEDULE OF PANAMA

Chapter 8 shall apply to the entities of the sub-central level of government which procure in accordance with the provisions of such Chapter, where the value of the procurement equals or exceeds:

GOODS

Specified in Section D

Threshold: SDR 400 000

SERVICES

Specified in Section E

Threshold: SDR 400 000

CONSTRUCTION SERVICES (including BOT contracts)

Specified in Section F

Threshold: SDR 15 000 000

LIST OF ENTITIES

Chapter 8 shall apply only to the following entities of the sub-central level of government:

Provincia de Bocas del Toro

1. Municipio de Bocas del Toro
2. Municipio de Chiriquí Grande
3. Municipio de Changuinola

Province of Bocas del Toro

- Municipality of Bocas del Toro
- Municipality of Chiriquí Grande
- Municipality of Changuinola

Provincia de Coclé

4. Municipio de Aguadulce

Province of Cocle

- Municipality of Aguadulce

- | | | |
|----|-------------------------|----------------------------|
| 5. | Municipio de Antón | Municipality of Anton |
| 6. | Municipio de La Pintada | Municipality of La Pintada |
| 7. | Municipio de Natá | Municipality of Nata |
| 8. | Municipio de Olá | Municipality of Ola |
| 9. | Municipio de Penonomé | Municipality of Penonome |

Provincia de Colón

Province of Colon

- | | | |
|-----|---------------------------|------------------------------|
| 10. | Municipio de Chagres | Municipality of Chagres |
| 11. | Municipio de Donoso | Municipality of Donoso |
| 12. | Municipio de Portobelo | Municipality of Portobelo |
| 13. | Municipio de Santa Isabel | Municipality of Santa Isabel |

Provincia de Chiriquí

Province of Chiriqui

- | | | |
|-----|---------------------------|------------------------------|
| 14. | Municipio de Alanje | Municipality of Alanje |
| 15. | Municipio de Barú | Municipality of Barú |
| 16. | Municipio de Boquerón | Municipality of Boqueron |
| 17. | Municipio de Boquete | Municipality of Boquete |
| 18. | Municipio de Bugaba | Municipality of Bugaba |
| 19. | Municipio de David | Municipality of David |
| 20. | Municipio de Dolega | Municipality of Dolega |
| 21. | Municipio de Gualaca | Municipality of Gualaca |
| 22. | Municipio de Remedios | Municipality of Remedios |
| 23. | Municipio de Renacimiento | Municipality of Renacimiento |
| 24. | Municipio de San Lorenzo | Municipality of San Lorenzo |
| 25. | Municipio de San Félix | Municipality of San Felix |
| 26. | Municipio de Tolé | Municipality of Tole |

Provincia de Darién

Province of Darien

- | | | |
|-----|------------------------|---------------------------|
| 27. | Municipio de Chepigana | Municipality of Chepigana |
| 28. | Municipio de Pinogana | Municipality of Pinogana |

Provincia de Herrera

Province of Herrera

- | | | |
|-----|--------------------------|-----------------------------|
| 29. | Municipio de Chitré | Municipality of Chitre |
| 30. | Municipio de Las Minas | Municipality of Las Minas |
| 31. | Municipio de Los Pozos | Municipality of Los Pozos |
| 32. | Municipio de Ocú | Municipality of Ocu |
| 33. | Municipio de Parita | Municipality of Parita |
| 34. | Municipio de Pesé | Municipality of Pese |
| 35. | Municipio de Santa María | Municipality of Santa Maria |

Provincia de Los Santos

Province of Los Santos

- | | | |
|-----|-------------------------|----------------------------|
| 36. | Municipio de Guararé | Municipality of Guarare |
| 37. | Municipio de Las Tablas | Municipality of Las Tablas |
| 38. | Municipio de Los Santos | Municipality of Los Santos |
| 39. | Municipio de Macaracas | Municipality of Macaracas |

- | | | |
|-----|---------------------|------------------------|
| 40. | Municipio de Pedasí | Municipality of Pedasi |
| 41. | Municipio de Pocrí | Municipality of Pocrí |
| 42. | Municipio de Tonosí | Municipality of Tonosi |

Provincia de Panamá

Province of Panama

- | | | |
|-----|----------------------------|-------------------------------|
| 43. | Municipio de Balboa | Municipality of Balboa |
| 44. | Municipio de Chepo | Municipality of Chepo |
| 45. | Municipio de Chimán | Municipality of Chiman |
| 46. | Municipio de San Miguelito | Municipality of San Miguelito |
| 47. | Municipio de Taboga | Municipality of Taboga |

Provincia de Panamá Oeste

Province of Panama Oeste

- | | | |
|-----|--------------------------|-----------------------------|
| 48. | Municipio de Arraiján | Municipality of Arraijan |
| 49. | Municipio de Capiरा | Municipality of Capiरा |
| 50. | Municipio de Chame | Municipality of Chame |
| 51. | Municipio de La Chorrera | Municipality of La Chorrera |
| 52. | Municipio de San Carlos | Municipality of San Carlos |

Provincia de Veraguas

Province of Veraguas

- | | | |
|-----|----------------------------|-------------------------------|
| 53. | Municipio de Atalaya | Municipality of Atalaya |
| 54. | Municipio de Calobre | Municipality of Calobre |
| 55. | Municipio de Cañazas | Municipality of Cañazas |
| 56. | Municipio de La Mesa | Municipality of La Mesa |
| 57. | Municipio de Las Palmas | Municipality of Las Palmas |
| 58. | Municipio de Montijo | Municipality of Montijo |
| 59. | Municipio de Río de Jesús | Municipality of Rio de Jesus |
| 60. | Municipio de San Francisco | Municipality of San Francisco |
| 61. | Municipio de Santa Fe | Municipality of Santa Fe |
| 62. | Municipio de Santiago | Municipality of Santiago |
| 63. | Municipio de Soná | Municipality of Sona |
| 64. | Municipio de Mariato | Municipality of Mariato |

Section C:

OTHER COVERED ENTITIES

A. SCHEDULE OF KOREA

Chapter 8 shall apply to other government entities, which procure in accordance with the provisions of such Chapter, where the value of the procurement equals or exceeds:

GOODS	SDR 400 000
SERVICES	SDR 400 000
CONSTRUCTION SERVICES	SDR 15 000 000

LIST OF ENTITIES

1. Korea Development Bank;
2. Industrial Bank of Korea;
3. Korea Minting and Security Printing Corporation;
4. Korea Electric Power Corporation (except purchases of products in the categories of HS Nos. 8504, 8535, 8537 and 8544) (Note 3);
5. Korea Coal Corporation;
6. Korea Resources Corporation;
7. Korea National Oil Corporation;
8. Korea Trade-Investment Promotion Agency;
9. Korea Expressway Corporation;
10. Korea Land and Housing Corporation;
11. Korea Water Resources Corporation;
12. Korea Rural Community Corporation;
13. Korea Agro-Fisheries Trade Corporation;
14. Korea Tourism Organization;
15. Korea Labor Welfare Corporation;
16. Korea Gas Corporation (Note 3);
17. Korea Railroad Corporation;
18. Korea Rail Network Authority (Note 4);
19. Seoul Metro;
20. Seoul Metropolitan Rapid Transit Corporation;
21. Incheon Metro;
22. Busan Transportation Corporation;
23. Daegu Metropolitan Transit Corporation;
24. Daejeon Metropolitan Express Transit Corporation;
25. Gwangju Metropolitan Rapid Transit Corporation.

Notes to Section C

1. Chapter 8 shall not apply to any set-asides for small- and medium-sized businesses according to the Act on the Management of Public Institutions, the Rule on Contract Business of Public Institutions and Quasi-governmental

Institutions, the Local Public Enterprises Act and the Enforcement Regulations of the Local Public Enterprises Act.

2. Chapter 8 does not cover procurement of the transportation services that form a part of, or are incidental to, a procurement contract.
3. Chapter 8 does not cover procurement by the Korea Electric Power Corporation and the Korea Gas Corporation of the following services:

Description	CPC Prov. Reference No.
a. Engineering services	8672
b. Integrated engineering services	8673
c. Computer and related services	84
d. Composition and purity testing and analysis services	86761
e. Technical inspection services	86764
f. Related scientific and technical consulting services	8675
g. Repair services incidental to metal products, machinery and equipment	633, 8861-8866
h. Management consulting service	865
i. Project management services	86601
j. Telecommunication services (including code and protocol conversion)	7523

4. For procurement by the Korea Rail Network Authority, Chapter 8 only covers the following:
 - a. Construction and procurement of conventional railroad facilities;
 - b. Engineering service including conventional railroad design;
 - c. Supervision of conventional railroad facilities;
 - d. Management of conventional railroad facilities.

B. SCHEDULE OF COSTA RICA

Chapter 8 shall apply to other government entities, which procure in accordance with the provisions of such Chapter, where the value of the procurement equals or exceeds:

GOODS

Thresholds:

1. For entities of List A: SDR 200 000
2. For entities of List B: SDR 400 000

SERVICES

Specified in Section E

Thresholds:

1. For entities of List A: SDR 200 000
2. For entities of List B: SDR 400 000

CONSTRUCTION SERVICES

Specified in Section F

Threshold for lists A and B: SDR 15 000 000

BOT AND PUBLIC WORK CONCESSIONS

Threshold: SDR 15 000 000

LIST OF ENTITIES

List A:

- | | | |
|-----|--|--|
| 1. | Junta Administrativa de la Imprenta Nacional | Administrative Bureau for the National Printer |
| 2. | Programa Integral de Mercadeo Agropecuario – PIMA | Program on Agricultural Marketing |
| 3. | Banco Hipotecario de la Vivienda – BANHVI | Mortgages' and Housing Bank |
| 4. | Consejo de Transporte Público | Public Transportation Council |
| 5. | Instituto Costarricense del Deporte y la Recreación | Costa Rican Institute of Sports and Recreation |
| 6. | Instituto Nacional de Fomento Cooperativo – INFOCOOP | National Institute for Promotion of Cooperatives |
| 7. | Banco Central de Costa Rica ¹ | Costa Rica's Central Bank |
| 8. | Instituto Costarricense de Puertos del Pacífico – INCOP | Costa Rican Institute for Ports of the Pacific Ocean |
| 9. | Autoridad Reguladora de los Servicios Públicos – ARESEP | Regulatory Authority for Public Services |
| 10. | Servicio Nacional de Aguas Subterráneas, Riego y Avenamiento | National Service of Groundwater, Irrigation and Drainage |

List B:

- | | | |
|----|--|---|
| 1. | Instituto Costarricense de Electricidad - ICE ² | Costa Rican Institute of Electricity |
| 2. | Refinadora Costarricense de Petróleo - RECOPE | Costa Rican Oil Refining Company |
| 3. | Consejo Nacional de Vialidad - CONAVI ² | General Directorate on Highway Administration |
| 4. | Instituto Costarricense de | Costa Rican Institute on Railroads |

- Ferrocarriles – INCOFER²
5. Consejo Nacional de Concesiones National Concessions Council

Notes to Section C

1. Banco Central de Costa Rica. Chapter 8 shall not apply to procurements for issuing of bills and coins.
2. Instituto Costarricense de Electricidad – ICE, Consejo Nacional de Vialidad – CONAVI- and Instituto Costarricense de Ferrocarriles –INCOFER-: Time periods set out in Article 8.9, shall not apply to the ICE, CONAVI and INCOFER. The ICE CONAVI and INCOFER shall provide suppliers sufficient time to prepare and submit responsive tenders. Notwithstanding Article 8.16 (Domestic Review Procedures), paragraph 2, ICE, CONAVI and INCOFER shall provide no less than three business days for suppliers to prepare and submit written challenges.

C. SCHEDULE OF EL SALVADOR

Chapter 8 shall apply to other government entities which procure in accordance with the provisions of this Agreement, where the value of the procurement equals or exceeds:

GOODS

Threshold:

1. For entities of List A: 400 000 SDR
2. For entities of List B: 400 000 SDR

SERVICES

Specified in Section E

Threshold:

1. For entities of List A: 400 000 SDR
2. For entities of List B: 400 000 SDR

CONSTRUCTION SERVICES

Specified in Section F

Threshold:

Threshold for lists A and B: 15 000 000 SDR

List A

1.	Consejo Nacional de Ciencia y Tecnología	National Council of Science and Technology
2.	Consejo Salvadoreño del Café	Salvadoran Coffee Council
3.	Corporación Salvadoreña de Inversiones	Salvadoran Investment Corporation
4.	Corporación Salvadoreña de Turismo	Salvadoran Tourism Corporation
5.	Federación Salvadoreña de Fútbol	Salvadoran Football Federation
6.	Centro Internacional de Ferias y Convenciones de El Salvador	International Fairs and Conventions Center of El Salvador
7.	Fondo de Inversión Social para el Desarrollo	Local Social Investment Fund for Local Development
8.	Hogar de Ancianos "Narcisa Castillo", Santa Ana	Nursing Home "Narcisa Castillo," Santa Ana
9.	Hospital Nacional de niños "Benjamín Bloom"	National Children's Hospital "Benjamín Bloom"
10.	Hospital Nacional "Dr. Luis Edmundo Vásquez", Chalatenango	National Hospital "Dr. Luis Edmundo Vásquez" Chalatenango
11.	Hospital Nacional "Francisco Menéndez", Ahuachapán	National Hospital "Francisco Menéndez" Ahuachapán
12.	Hospital Nacional "Juan José Fernández", Zacamil	National Hospital "Juan Jose Fernandez" Zacamil
13.	Hospital Nacional "San Juan de Dios", San Miguel	National Hospital "San Juan de Dios," San Miguel
14.	Hospital Nacional "San Juan de Dios", Santa Ana	National Hospital "San Juan de Dios", Santa Ana
15.	Hospital Nacional "San Juan de Dios", Sonsonate	National Hospital "San Juan de Dios", Sonsonate
16.	Hospital Nacional "San Pedro", Usulután	National Hospital "San Pedro", Usulután
17.	Hospital Nacional "San Rafael", Santa Tecla	National Hospital "San Rafael" Santa Tecla
18.	Hospital Nacional "Santa Gertrudis," San Vicente	National Hospital "Santa Gertrudis," San Vicente
19.	Hospital Nacional "Santa Teresa", Zacatecoluca	National Hospital "Santa Teresa", Zacatecoluca
20.	Hospital Nacional de Ciudad Barrios	National Hospital of Ciudad Barrios
21.	Hospital Nacional de Cojutepeque	National Hospital in Cojutepeque
22.	Hospital Nacional de Ilobasco	National Hospital of Ilobasco
23.	Hospital Nacional de Jiquilisco	National Hospital of Jiquilisco
24.	Hospital Nacional de La Unión	National Hospital of La Unión
25.	Hospital Nacional de Metapán	National Hospital Metapán
26.	Hospital Nacional de Nueva Concepción	National Hospital of Nueva Concepción
27.	Hospital Nacional de Nueva Guadalupe	National Hospital of Nueva Guadalupe
28.	Hospital Nacional de San Francisco Gotera	National Hospital of San Francisco Gotera
29.	Hospital Nacional de Santa Rosa de Lima	National Hospital of Santa Rosa de Lima
30.	Hospital Nacional de Santiago de María	National Hospital of Santiago de Maria
31.	Hospital Nacional de Sensuntepeque	National Hospital of Sensuntepeque

32.	Hospital Nacional de Suchitoto	National Hospital of Suchitoto
33.	Hospital Nacional Neumológico "Dr. José Antonio Saldaña"	Neumológico National Hospital "Dr. Jose Antonio Saldaña"
34.	Hospital Nacional Psiquiátrico "Dr. José Molina Martínez"	National Psychiatric Hospital "Dr. Jose Molina Martinez"
35.	Hospital Nacional "Enfermera Angélica Vidal de Najarro", San Bartolo	National Hospital "Nurse Angelica Vidal Najarro" San Bartolo
36.	Instituto Nacional de los Deportes de El Salvador	National Institute of Sports of El Salvador
37.	Instituto Nacional de Pensiones de los Empleados Públicos	National Pensions Institute for Public Employees
38.	Instituto Salvadoreño de Desarrollo de la Mujer	Salvadoran Institute for the Development of Women
39.	Instituto Salvadoreño de Desarrollo Municipal	Salvadoran Institute of Municipal Development
40.	Instituto Salvadoreño de Fomento Cooperativo	Salvadoran Institute for Cooperative Development
41.	Instituto Salvadoreño de Formación	Salvadoran Professional Vocational Training Institute
42.	Instituto Salvadoreño de Protección al Menor	Salvadoran Institute Child Protection
43.	Instituto Salvadoreño de Rehabilitación Integral	Salvadoran Comprehensive Rehabilitation Institute
44.	Instituto Salvadoreño de Transformación Agraria	Salvadoran Institute for Agrarian Transformation
45.	Registro Nacional de las Personas Naturales	National Registry of Natural Persons
46.	Superintendencia del Sistema Financiero	Superintendent of Financial System
47.	Unidad Técnica Ejecutiva	Executive Technical Unit

List B

1.	Centro Nacional de Registros	National Registration Center
2.	Hospital Nacional Rosales	National Hospital Rosales
3.	Superintendencia General de Electricidad y Telecomunicaciones (SIGET)	General Superintendency of Electricity and Telecommunications (SIGET)

Note to Section C

Chapter 8 shall not apply to procurement of goods classified under Section 2 (food products, beverages and snuff, textiles products, clothing and leather products) of the CPC ver. 1.1, for entities from the list A.

D. SCHEDULE OF HONDURAS

Chapter 8 shall apply to other covered entities, which procure in accordance with the provisions of such Chapter, where the value of procurement equals or exceeds:

GOODS

Thresholds: SDR 400 000

SERVICES

Specified in Section E

Thresholds: SDR 400 000

CONSTRUCTION SERVICES

Specified in Section F

Thresholds: SDR 15 000 000

LIST OF ENTITIES:

- | | | |
|-----|---|---|
| 1. | Instituto Nacional de Conservación y Desarrollo Forestal, Áreas Protegidas y Vida Silvestre (ICF) | National Institute of Forest Conservation and Development, Protected Areas and Wildlife |
| 2. | Instituto Hondureño de Mercadeo Agrícola (IHMA) | Honduran Institute of Agricultural Marketing |
| 3. | Instituto Hondureño para la prevención del Alcoholismo, Drogadicción y Farmacodependencia (IHADFA) | Honduran Institute for the Prevention of Alcoholism and Drug Addiction |
| 4. | Instituto Hondureño de Turismo (IHT) | Honduran Institute of Tourism |
| 5. | Instituto Nacional de Jubilaciones y Pensiones de los Funcionarios y Empleados del Poder Ejecutivo (INJUPEMP) | National Institute of Retirement and Pension Officers and Employees of the Executive Branch |
| 6. | Comisión Nacional Pro-Instalaciones Deportivas y Mejoramiento del Deporte (CONAPID) | National Pro-Sports Facilities Commission and Improvement Sports |
| 7. | Comité Permanente de Contingencias (COPECO) | Permanent Contingencies Committee |
| 8. | Instituto Nacional Agrario (INA) | National Agrarian Institute |
| 9. | Banco Central de Honduras (BCH) (note 1) | Central Bank of Honduras (note 1) |
| 10. | Empresa Nacional Portuaria (ENP) | National Port Company |

Notes to Section C

1. Banco Central de Honduras (Central Bank of Honduras): Chapter 8 does not cover the issuance or the circulation of currency.
2. Chapter 8 only shall apply to entities listed in this list.

E. SCHEDULE OF NICARAGUA

1. Chapter 8 shall apply to other covered entities, which procure in accordance with the provisions of this Agreement, where the value of procurement equals or exceeds:

GOODS

Thresholds:

1. For entities of List A: SDR 200 000; or for the three year period following the date of entry into force of this Agreement, SDR 274 000
2. For entities of List B: SDR 400 000; or for the three year period following the date of entry into force of this Agreement, SDR 550 000

SERVICES

Specified in Section E

Thresholds:

1. For entities of List A: SDR 200 000; or for the three year period following the date of entry into force of this Agreement, SDR 274 000
2. For entities of List B: SDR 400 000; or for the three year period following the date of entry into force of this Agreement, SDR 550 000

CONSTRUCTION SERVICES

Specified in Section F

Thresholds for list A and B: SDR 15 000 000; or for the three year period following the date of entry into force of this Agreement, SDR 18 000 000

2. Chapter 8 shall apply only to the entities including in the following list:

List A

1. Banco Central de Nicaragua (note 1) Nicaragua's Central Bank
2. Dirección General de Ingresos (note 2) General Directorate of Taxation
3. Instituto Nacional de Información National Development Information

	de Desarrollo	Institute
4.	Instituto Nacional Forestal	National Institute of Forest
5.	Instituto Nicaragüense de Cultura	Nicaraguan Institute of Culture
6.	Instituto Nicaragüense de Estudios Territoriales	Nicaraguan Institute of Territorial Studies
7.	Instituto Nicaragüense de Deportes	Nicaraguan Institute of Sports
8.	Instituto Nicaragüense de Tecnología Agropecuaria	Nicaraguan Institute of Agricultural Technology
9.	Instituto Nicaragüense de Turismo	Nicaraguan Institute of Tourism
10.	Procuraduría para la Defensa de los Derechos Humanos	Procurator for the Defense of Human Rights
11.	Procuraduría General de la República	General Procurator of the Republic
12.	Ministerio Público	Public Ministry
13.	Teatro Nacional Rubén Darío	Ruben Dario National Theatre
14.	Universidades (con respecto a las compras financiadas con fondos del Estado)	Universities (with respect to purchases financed with state funds)
15.	Instituto Nicaragüense de Fomento Cooperativo	Nicaraguan Institute of Cooperative Development
16.	Fondo Nacional de Desarrollo Forestal	National Forest Development Fund
17.	Instituto Tecnológico Nacional	National Technological Institute
18.	Radio Nicaragua	Radio Nicaragua

List B

1.	Correos de Nicaragua	Nicaragua's Post Office
2.	Instituto Nacional Tecnológico	National Institute of Technology
3.	Instituto Nicaragüense de Acueductos y Alcantarillados	Nicaraguan Institute of Aqueducts and Sewers
4.	Instituto Nicaragüense de Energía	Nicaraguan Energy Institute
5.	Instituto de Vivienda Urbana y Rural	Institute for Urban and Rural Housing

Notes to Section C

1. Banco Central de Nicaragua: Chapter 8 shall not apply to procurements for issuing of bills and coins, as well as the procurement of other specialized services.
2. Dirección General de Ingresos: Chapter 8 shall not apply to the procurement for issuing of passports (including its elements of security such as security paper and security plastic), stamp duty and other tax species.

F. SCHEDULE OF PANAMA

Chapter 8 shall apply to other entities which procure in accordance with the provisions of such Chapter, where the value of the procurement equals or exceeds:

GOODS

Specified in Section D

Threshold: SDR 400 000

SERVICES

Specified in Section E

Threshold: SDR 400 000

CONSTRUCTION SERVICES (including BOT contracts)

Specified in Section F

Threshold: SDR 15 000 000

LIST OF ENTITIES

Chapter 8 shall apply only to the following entities:

- | | | |
|-----|---|---|
| 1. | Aeropuerto Internacional de Tocumen | Tocumen International Airport |
| 2. | Agencia del Área Económica Especial Panamá-Pacífico | Panama-Pacific Economic Special Area Agency |
| 3. | Autoridad de Protección al Consumidor y Defensa de la Competencia | Authority for Consumer Protection and Competition Defense |
| 4. | Autoridad Nacional de los Servicios Públicos | National Authority of the Public Services |
| 5. | Autoridad Panameña de Seguridad de Alimentos | Panamanian Food Safety Authority |
| 6. | Instituto de Acueducto y Alcantarillados Nacionales | National Institute of Aqueducts and Sewers |
| 7. | Instituto de Seguro Agropecuario | Agricultural Insurance Institute |
| 8. | Instituto Nacional de Cultura | National Institute of Culture |
| 9. | Instituto Panameño de Rehabilitación Especial | Panamanian Institute of Special Rehabilitation |
| 10. | Instituto para la Formación y Aprovechamiento de Recursos Humanos | Institute for Training and Improving Human Resources |
| 11. | Registro Público de Panamá | Public Registry of Panama |
| 12. | Superintendencia de Bancos | Superintendency of Banks |
| 13. | Superintendencia del Mercado de Valores | Superintendency of the Securities Market |

14. Universidad Tecnológica de Panamá Panama Technological University

Section D:

GOODS

A. SCHEDULE OF KOREA

1. Chapter 8 covers procurement of all goods procured by the entities listed in Sections A through C, unless otherwise specified in this Agreement.
2. Subject to the decision of the Korean Government under the provisions of paragraph 1, Article 8.3 (Exceptions), for procurement by the Ministry of National Defense and the Defense Acquisition Program Administration, Chapter 8 covers the following FSC categories only.

FSC Reference No.	Description
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- | | | |
|-----|------|---|
| 1. | 2510 | Vehicular cab, body, and frame structural components; |
| 2. | 2520 | Vehicular power transmission components; |
| 3. | 2540 | Vehicular furniture and accessories; |
| 4. | 2590 | Miscellaneous vehicular components; |
| 5. | 2610 | Tires and tubes, pneumatic, except aircraft; |
| 6. | 2910 | Engine fuel system components, non-aircraft; |
| 7. | 2920 | Engine electrical system components, non-aircraft; |
| 8. | 2930 | Engine cooling system components, non-aircraft; |
| 9. | 2940 | Engine air and oil filters, strainers and cleaners, non-aircraft; |
| 10. | 2990 | Miscellaneous engine accessories, non-aircraft; |
| 11. | 3020 | Gears, pulleys, sprockets and transmission chain; |
| 12. | 3416 | Lathes; |
| 13. | 3417 | Milling machines; |
| 14. | 3510 | Laundry and dry cleaning equipment; |
| 15. | 4110 | Refrigeration equipment; |
| 16. | 4230 | Decontaminating and impregnating equipment; |
| 17. | 4520 | Space and water heating equipment; |
| 18. | 4940 | Miscellaneous maintenance and repair shop specialize equipment; |
| 19. | 5120 | Hand tools, nonedged, non-powered; |
| 20. | 5410 | Prefabricated and portable buildings; |
| 21. | 5530 | Plywood and veneer; |
| 22. | 5660 | Fencing, fences, gates and components; |
| 23. | 5945 | Relays and solenoids; |
| 24. | 5965 | Headsets, handsets, microphones and speakers; |
| 25. | 5985 | Antennas, waveguide, and related equipment; |
| 26. | 5995 | Cable, cord, and wire assemblies: communication equipment; |
| 27. | 6505 | Drugs and biologicals; |
| 28. | 6220 | Electric vehicular lights and fixtures; |
| 29. | 6840 | Pest control agents disinfectants; |
| 30. | 6850 | Miscellaneous chemical specialties; |
| 31. | 7310 | Food cooking, baking, and serving equipment; |
| 32. | 7320 | Kitchen equipment and appliances; |
| 33. | 7330 | Kitchen hand tools and utensils; |

- | | | |
|-----|------|---|
| 34. | 7350 | Tableware; |
| 35. | 7360 | Sets, kits, outfits, and modules, food preparation and serving; |
| 36. | 7530 | Stationery and record forms; |
| 37. | 7920 | Brooms, brushes, mops, and sponges; |
| 38. | 7930 | Cleaning and polishing compounds and Preparations; |
| 39. | 8110 | Drums and cans; |
| 40. | 9150 | Oils and greases: cutting, lubricating, and hydraulic; |
| 41. | 9310 | Paper and paperboard |

B. SCHEDULE OF PANAMA

Chapter 8 shall apply to all goods procured by the entities listed in the Sections A, B and C of this Annex, subject to the Notes to the respective Sections and the General Notes.

Section E:
SERVICES

A. SCHEDULE OF KOREA

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

MTN.GNS/W/120	CPC	Description
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
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

MTN.GNS/W/120	CPC	Description
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*, 8814*	Consulting services relating to agriculture and animal husbandry 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, 8862, 8863, 8864, 8865, 8866	Maintenance and repair of equipment
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
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

MTN.GNS/W/120	CPC	Description
		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
11.H.c	748*	Freight transport agency services
		- 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

Note to Section E

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.

B. SCHEDULE OF COSTA RICA

Chapter 8 shall apply to all services procured by the entities listed in Sections A, B and C of this Annex, subject to the General Notes, except for the services listed in this Annex. All services covered by this Annex are subject to the existing measures listed in Costa Rica's Schedule to Annexes I, II and III.

Chapter 8 does not cover procurement of the following services as classified in the United Nations Central Product Classification 1.0 (CPC version 1.0):

1. Research and Development

Division 81 Research and Development Services

2. Management of Government-Owned Facilities (Administrative Facilities and Service

Buildings, Airfield, Communications, and Missile Facilities, Educational Buildings, Hospital Buildings, Industrial Buildings, Residential Buildings, Warehouse Buildings, Research and Development Facilities, Other Buildings, Conservation and Development Facilities, Highways, Roads, Streets, Bridges and Railways, Electric Power Generation (EPG) Facilities, Utilities, Other Non-Building Facilities).

3. Management and Distribution of Lotteries

Class 9692 Gambling and Betting services

4. Public Services

Division 69 Electricity Distribution Services; Gas and Water Distribution Services through mains

Division 91 Public Administration and other services to the community as a whole; Compulsory Social Security Services

Division 92 Education Services (public education)

Division 93 Health and Social Services

C. SCHEDULE OF EL SALVADOR

Chapter 8 shall apply to all services procured by the entities listed in Sections A, B and C of this Annex, subject to the General Notes, except for the services listed in this Annex. All services covered by this Annex are subject to the measures listed in El Salvador's Schedule to Annexes I, II and III.

D. SCHEDULE OF HONDURAS

Chapter 8 shall apply to all services procured by the entities listed in Sections A, B, and C, subject to the Notes to the respective Sections and Section F, except for the services excluded in this Section. All services covered by this Annex are subject to the measures listed in Honduras's Schedule to Annexes I, II and III.

Chapter 8 does not cover the following services, as elaborated in CPC, version 1.0:

(a) Public Services

1. Division 64 Land Transport Services

2. Division 66 Air Transport Services

3. Division 69 Electricity Distribution Services; Gas and Water Distribution Services through mains.
 4. Division 91 Public Administration and other services to the community as a whole; Compulsory Social Security Services.
 5. Division 92 Education Services (public education).
 6. Division 93 Health and Social Services.
 7. Division 94 Sewage and Refuse Disposal, Sanitation and other Environmental Protection Services.
- (b) Individual Professional Services (Chapter 8 does not cover the contracting of individuals, for defined periods, who provide a professional service, where such contracting is not used to avoid the obligations of such Chapter).

E. SCHEDULE OF NICARAGUA

Chapter 8 shall apply to all services procured by the entities listed in Sections A and C, subject to the Notes to the respective Sections and Section F, except for the services excluded in this Section. All services covered by this Annex are subject to the measures listed in Nicaragua's Schedule to Annexes I, II and III.

Chapter 8 does not cover procurement of the followings services, as elaborated in the Common Classification System (for a complete listing of the Common Classification System see www.sice.oas.org/trade/nafta/chap-105.asp):

Management of Government-Owned Facilities (Administrative Facilities and Service Buildings, Airfield, Communications, and Missile Facilities, Educational Buildings, Hospital Buildings, Industrial Buildings, Residential Buildings, Warehouse Buildings, Research and Development Facilities, Other Buildings, Conservation and Development Facilities, Highways, Roads, Streets, Bridges and Railways, Electric Power Generation (EPG) Facilities, Utilities, Other Non-Building Facilities).

Chapter 8 does not cover procurement of the following services, as classified in the United Nations Central Product Classification 1.0 (CPC version 1.0):

Public Services

Division 69 Electricity distribution services; gas and water distribution services through mains,

Division 81 Research and development services,

Division 82 Professional, scientific and technical services,

Division 83 Other professional, scientific and technical services,

Division 91 Public administration and other services to the community as a whole;
compulsory social security services,

Division 92 Education Services (public education),

Division 93 Health and social services,

Division 94 Sewage and refuse disposal, sanitation and other environmental protection
services.

F. SCHEDULE OF PANAMA

1. Chapter 8 shall apply to all services procured by the entities listed in the Sections A, B and C of this Annex, subject to the Notes to the respective Sections and the General Notes, except for the services excluded in this Section.

2. All services covered by this Annex are subject to the measures listed in Panama's Schedule to Annexes I, II and III.

3. Chapter 8 shall not cover procurement of the following services, as classified in the CPC ver. 1.0 and the Common Classification System:

Code	Description
64	Land transport services
66	Air transport services
6751	Bus station services
68111	Postal services related to letters
68112	Postal services related to parcels
68113	Post office counters services
68119	Other postal services
6911	Electricity transmission and distribution services
692	Water distribution services through mains
81	Research and development services
91	Public administration and other services to the community as a whole; compulsory social security services
92	Education services
93	Health and social services
9692	Gambling and betting services
D304	ADP telecommunications and transmission services, except for those services classified as "enhanced or value-added services." For the purposes of this provision, the procurement of "ADP telecommunications and transmission services" does not include the ownership or furnishing of facilities for the transmission of voice or data.
D305	Teleprocessing and timesharing services
D316	Telecommunications network management services
D317	Automated news services, data services or other information services
D399	Other ADP and telecommunications services

M Operation of Government-owned facilities

Section F:

CONSTRUCTION SERVICES

A. SCHEDULE OF KOREA

Chapter 8 shall apply to all construction services under CPC 51 procured by the entities listed in Sections A, B and C, subject to the Notes to the respective Sections and Section F.

A build-operate-transfer 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.

Note to Section F

Chapter 8 shall not apply to any set-asides for small- and medium-sized businesses according to the Act on Private Participation in Infrastructure.

B. SCHEDULE OF COSTA RICA

Chapter 8 shall apply to all construction services procured by the entities listed in Sections A, B and C, subject to the Notes to the respective Sections and Section F. All construction services covered by this Annex are subject to Costa Rica's Schedule to Annexes I, II and III.

Build-operate-transfer contract and public works concession contract means any contractual arrangement the primary purpose of which is to provide for the construction or rehabilitation of physical infrastructure, plant, 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.

C. SCHEDULE OF EL SALVADOR

Chapter 8 shall apply to all construction services procured by the entities listed in Sections A, B and C, subject to the Notes to the respective Sections and Section F. All construction services covered by this Annex are subject to El Salvador's Schedule to Annexes I, II and III.

D. SCHEDULE OF HONDURAS

Chapter 8 shall apply to all construction services procured by the entities listed in Sections A, B and C, subject to the Notes to the respective Sections and Section F General Notes. All construction services covered by this Annex are subject to Honduras's Schedule to Annexes I, II and III.

E. SCHEDULE OF NICARAGUA

Chapter 8 shall apply to all construction services procured by the entities listed in Sections A and C, subject to the Notes to the respective Sections and Section F. All construction services covered by this Annex are subject to Nicaragua's Schedule to Annexes I, II and III.

F. SCHEDULE OF PANAMA

1. Chapter 8 shall apply to all construction services procured by the entities listed in the Sections A, B and C of this Annex, subject to the Notes to the respective Sections and the General Notes, except for the construction services excluded in this Section.

2. All construction services covered by this Annex are subject to the measures listed in Panama's Schedule to Annexes I, II and III.

3. Chapter 8 shall not apply to BOT contracts, except Articles 8.4.1 through 8.4.6. BOT contracts shall be subject to the legislation of Panama.

BOT contracts mean any contractual arrangement the primary purpose of which is to provide for the construction or rehabilitation of physical infrastructure, plant, 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, operate and demand payment for the use of, such works for the duration of the contract.

4. Chapter 8 shall not cover procurement of the dredging services.

Section G:
GENERAL NOTES

A. SCHEDULE OF KOREA

1. Chapter 8 does not cover procurement in furtherance of human feeding programmes.
2. For greater clarity, procurement for airports is not covered under Chapter 8.
3. For the purposes of this Section, covered procurement includes build-operate-transfer contract.

B. SCHEDULE OF COSTA RICA

Unless otherwise specified herein, the following General Notes apply without exception to Chapter 8 including to all Sections of this Annex.

1. Limited tendering

Procuring entities might award contracts by limited tendering procedures in the following circumstances, besides those listed in Article 8.11:

- (a) if it is strictly necessary for reasons caused by events unforeseen and inevitable for the procuring entity such as natural catastrophes, and involving high ranking public interests such as public health and security, duly proven;
- (b) issues related to national security;
- (c) urgent attention of legal procedures; and
- (d) building and establishment of government offices located abroad, as well as procurement of foreign physical or legal persons that will provide their services abroad.

2. Specific exclusions

- (a) Chapter 8 shall not apply to procurement by a Costa Rican procuring entity of goods or services made or provided by a Costa Rican public entity.
- (b) Chapter 8 shall not apply to government programs for MSMEs.
- (c) Chapter 8 shall not apply to purchases made under exceptionally advantageous conditions that only arise in the very short term, such as

unusual disposals by companies that normally are not suppliers, or disposals of assets of businesses in liquidation or receivership.

For the purposes of this Annex, **covered procurement** includes build-operate-transfer contract and public works concession.

3. Costa Rica shall convert the thresholds of this Annex into its national currency at two years intervals. Each adjustment will take effect on January 1, beginning on January 2018. The conversion shall be based on the official conversion rate of the Central Bank, using the average of the daily values of national currency in terms of the US dollar. Such procedure will take place over the two-year period ending September 30 preceding the year in which the adjustment will be effective.

C. SCHEDULE OF EL SALVADOR

Unless otherwise specified, the following general notes shall apply to Chapter 8, and include all Sections of this Annex.

1. Chapter 8 shall apply to all goods procured by the entities listed in Sections A, B and C of this Annex, subject to the notes of the respective sections and Section F.

2. The contracting entities listed in Sections A, B and C may use lists of suppliers

Specific exclusions

- (a) Chapter 8 shall not apply to procurement by a Salvadorian procuring entity of goods or services made or provided by a Salvadorian public entity.
- (b) Chapter 8 shall not apply to government programs for MSMEs.
- (c) Purchases made under exceptionally advantageous conditions that only arise in the very short term, such as unusual disposals by companies that normally are not suppliers, or disposals of assets of businesses in liquidation or receivership.

D. SCHEDULE OF HONDURAS

Unless otherwise specified herein, the following General Notes shall apply without exception to Chapter 8, including to all Sections of this Annex.

1. Specific exclusions

- (a) Chapter 8 shall not apply to government procurement programs on behalf of small, medium, and micro enterprises (MSMEs).
- (b) Chapter 8 shall not apply to procurement by a Honduras procuring entity of goods or services made or provided by a Honduras public entity.

- (c) Chapter 8 shall not apply to purchases made under exceptionally advantageous conditions that only arise in the very short term, such as unusual disposals by companies that normally are not suppliers, or disposals of assets of businesses in liquidation or receivership.
- (d) Procuring entities might award contracts by limited tendering procedures in the following circumstances, besides those listed in Article 8.11:
 - (i) when intended to meet the needs caused by an emergency situation
 - (ii) issues related to national security;
 - (iii) in the case of minting and printing of paper money.

2. Honduras shall convert the thresholds of this Annex into its national currency at two years intervals. Each adjustment will take effect on January 1, beginning on January 2018. The conversion shall be based on the official conversion rate of the Central Bank, using the average of the daily values of national currency in terms of the US dollar. Such procedure will take place over the two-year period ending September 30 preceding the year in which the adjustment will be effective.

E. SCHEDULE OF NICARAGUA

The following General Notes shall apply without exception to Chapter 8, including to all Sections of this Annex.

1. Specific exclusions

- (a) Chapter 8 shall not apply to government programs for MSMEs;
- (b) Chapter 8 shall not apply to procurement made within the framework of programs or initiatives to improve the quality of life of the population, especially those living in poverty or extreme poverty such as Hambre cero (Zero Hunger) and Usura Cero (Zero Usury) programs;
- (c) Chapter 8 shall not apply to government programs for public health protection, Poverty Reduction and protection of children, people with disabilities, adolescents and elderly people in vulnerability situation;
- (d) Chapter 8 shall not apply to procurements whose purpose is to preserve, to promote, and to maintain the sovereign security, national security and / or the public interest;
- (e) Chapter 8 shall not apply to procurement made by or for the Ejército de Nicaragua (Army of Nicaragua) and the Policía Nacional (National Police);
- (f) Chapter 8 shall not apply to procurements intended for acquisitions and maintenance of specialized computer systems, and equipment for storage

and transmission of data bases for financial public sector;

- (g) Chapter 8 shall not apply to build-operate-transfer contracts (referred to as “BOT contracts”) and public works concessions, these shall be governed by national laws. For greater certainty, this Chapter shall not apply to procurement related to El Gran Canal Interoceánico de Nicaragua (Nicaragua Interoceanic Grand Canal), its projects and subprojects;
- (h) Chapter 8 shall not apply to procurements by a Nicaraguan procuring entity of goods or services made or provided by a Nicaraguan public entity; and
- (i) Chapter 8 shall not apply to purchases made under exceptionally advantageous conditions that only arise in the very short term, such as unusual disposals by companies that normally are not suppliers, or disposals of assets of businesses in liquidation or receivership.

2. Procuring entities might award contracts by limited tendering procedures in the following circumstances, besides those listed in Article 8.11:

- (a) The procurement or acquisition of artistic works.

3. Nicaragua shall convert the thresholds of this Annex into its national currency at two years intervals. Each adjustment will take effect on January 1, beginning on January 2018. The conversion shall be based on the official conversion rate of the Central Bank, using the average of the daily values of national currency in terms of the US dollar. Such procedure will take place over the two-year period ending September 30 preceding the year in which the adjustment will be effective.

F. SCHEDULE OF PANAMA

1. The General Notes shall apply without exception to Chapter 8, including to all Sections of this Annex.

Time periods exclusion

2. The minimum 40-day time period set out in Article 8.9.3 shall not apply to the entities listed in the Sections A, B and C of this Annex, until it is reviewed by Panama and Korea in order to ensure its accordance with the legislation of each Party.

Specific exclusions

3. Chapter 8 shall not apply to:

- (a) procurement made under the system of concessions granted by the State, including public works concession contracts;
- (b) procurement measures designed to promote micro, small, and medium

enterprises (MSMEs);

- (c) procurement for issuing currency, coinage, tax or postage stamps;
- (d) procurement of agricultural products linked to agricultural development and support and food aid programs;
- (e) procurement by a Panama procuring entity of goods or services made or provided by a Panama public entity;
- (f) procurement of transportation services that form a part of, or are incidental to, a procurement contract;
- (g) purchases made under exceptionally advantageous conditions that only arise in the very short term, such as unusual disposals by companies that normally are not suppliers, or disposals of assets of businesses in liquidation or receivership; and
- (h) procurement made under special procedure and special procedure for emergency acquisitions.

Adjustment of thresholds

4. Panama shall convert the value of the thresholds of this Annex into its national currency at two years intervals. Each adjustment will take effect on January 1, of the following year after the entry into force of this Agreement.

5. Panama shall calculate the adjustment of thresholds based on an average of the rates of daily conversion of dollar of the United States in terms of SDR, published monthly by the International Monetary Fund (IMF) in its "International Financial Statistics" for the period of two years prior to October 1° or November 1° the one in which the adjusted thresholds will take effect.

Panama shall provide the value of the newly calculated thresholds in their respective national currency, before the respective threshold takes effect.

ANNEX 8-B

ELECTRONIC OR PAPER MEDIA UTILIZED BY PARTIES FOR THE PUBLICATION OF INFORMATION PURSUANT TO ARTICLE 8.5

KOREA

Legislation and Jurisprudence

www.pps.go.kr

COSTA RICA

Official Gazette (Diario Oficial La Gaceta)

www.gaceta.go.cr

Costa Rican Legal Information System (Sistema Costarricense de Información Jurídica)

www.pgr.go.cr/scij

Costa Rican Government Procurement System (Sistema de Compras Públicas Costarricense -SICOP)

www.sicop.go.cr

EL SALVADOR

National Printing Office of the Republic of El Salvador (Imprenta Nacional de la República de El Salvador)

www.imprentanacional.gob.sv

HONDURAS

Official Gazette of the Republic of Honduras (La Gaceta Diario Oficial de la República de Honduras)

www.lagaceta.hn

NICARAGUA

Official Gazette of Nicaragua (La Gaceta, Diario Oficial de Nicaragua)

www.lagaceta.gob.ni

Electronic Administrative Procurement System (Sistema de Contrataciones Administrativas Electrónicas)

www.nicaraguacompra.gob.ni

PANAMA

Official Gazette – Digital Version (Gaceta Oficial – Versión Digital)

www.gacetaoficial.gob.pa

National Assembly (Asamblea Nacional - Legispan y Gacetas Oficiales)

www.asamblea.gob.pa

Government Procurement Electronic System “PanamaCompra” (Sistema Electrónico de Contrataciones Públicas – “PanamaCompra”)

www.panamacompra.gob.pa

ANNEX 8-C

ELECTRONIC OR PAPER MEDIA UTILIZED BY PARTIES FOR THE PUBLICATION OF NOTICES REQUIRED BY ARTICLES 8.6 AND 8.15.2

KOREA

Procuring opportunities on goods and services

www.koneps.go.kr

COSTA RICA

Official Gazette (Diario Oficial La Gaceta)

www.gaceta.go.cr

Costa Rican Government Procurement System (Sistema de Compras Públicas Costarricense -SICOP)

www.sicop.go.cr

EL SALVADOR

Government Procurement Electronic System (Sistema Electrónico de Compras Públicas - COMPRASAL)

www.comprasal.gob.sv

HONDURAS

Official Gazette of the Republic of Honduras (La Gaceta Diario Oficial de la República de Honduras)

www.lagaceta.hn

Procurement and Acquisition Information System of Honduras State (Sistema de Información de Contratación y Adquisiciones del Estado de Honduras - HONDUCOMPRAS)

<http://www.honducompras.gob.hn>

NICARAGUA

Electronic Administrative Procurement System (Sistema de Contrataciones Administrativas Electrónicas)

www.nicaraguacompra.gob.ni

PANAMA

Government Procurement Electronic System “PanamaCompra” (Sistema Electrónico de Contrataciones Públicas – “PanamaCompra”)

www.panamacompra.gob.pa