

# Accession to the WTO GPA of Republic of Moldova

## **WORKSHOP ON THE WTO AGREEMENT ON GOVERNMENT PROCUREMENT**

**Dorina Harcenco, PhD**  
**EBRD consultant**  
**[dorina@ppi-ebrd-uncitral.com](mailto:dorina@ppi-ebrd-uncitral.com)**

**GENEVA, SWITZERLAND, 15-16 SEPTEMBER 2015**



# FIRST STEPS

- Republic of Moldova initiated the WTO accession process starting with 1995;
- Moldova obtained an observer status in the GPA Committee on 29 September 2000;
- The WTO's General Council approved on 8 May 2001 the accession package of Moldova to the World Trade Organization;
- Republic of Moldova has been a member of WTO since 26 July 2001.



# **WTO GOVERNEMENT PROCUREMENT AGREEMENT**

- All WTO members are eligible to accede to the GPA including Republic of Moldova;
- Currently, 10 WTO members are in the process of acceding to GPA: Albania, Australia, China, Georgia, Jordan, Kyrgyz Republic, Moldova, Oman, Tajikistan and Ukraine.



## Accession to GPA

- Moldova is currently in the process of aligning its public procurement system to international best practice.
- WTO GPA accession is considered by Moldova as a strategic objective and an important step in the establishment and maintenance of an **efficient system** of government procurement.

## Moldova's accession to GPA

- The accession process of Republic of Moldova started with the submission of an application for accession to **1994 GPA** and afterwards revised offer for accession to **2012 Revised GPA**;
- GPA accession has two main aspects: **negotiations** between the acceding member and Parties of the GPA **on the former's coverage offer**, and checking that the acceding member's **procurement legislation is consistent with the GPA's requirements**.



### Moldova's initial steps in GPA accession

- Moldova applied for accession to the GPA on 7 January 2002 (following questions and comments from Parties, updated documents were circulated by Moldova in 2002/2003; in 2008 – Moldova's initial offer was circulated to GPA Parties);
- Due to political reasons and some institutional changes the accession process was on hold for a couple of years.





### In 2012 was reactivated the GPA accession process

- Negotiation **working group** consisted of representatives of Public Procurement Agency, Ministry of Economy and Ministry of Finance of Moldova.
- Public Procurement Agency of Moldova was **supported by UNDP in 2012** and by **EBRD starting with 2013**, by providing advice in negotiating the WTO GPA accession and practical assistance throughout the WTO GPA negotiation process.

## GPA TECHNICAL COOPERATION FACILITY

### Further steps towards GPA accession

- Following a **National Seminar on WTO GPA** organized by the **Government of RM** in cooperation with **WTO, SIGMA, UNDP and EBRD** in **August 2012**, Moldova's **second revised** offer was circulated to the GP Committee in September 2012, including the updated "checklist of issues".
- Substantive discussions and negotiations with GPA Parties were held in **October 2012, February 2013** and **May 2013**.
- On **16 January 2014** the **third revised** offer of RM was sent to GPA Parties. This offer received positive comments from a number of GPA Parties.





## GPA TECHNICAL COOPERATION FACILITY

- In **March 2014**, the **draft law on PP** (elaborated in the framework of EU Twinning Project) was circulated to GPA Parties.
- On **24 June 2014**, Moldova circulated a **fourth revised offer**, incorporating the comments and recommendations previously received from Canada, European Union, Japan, Switzerland, Chinese Taipei, the United States and other GPA Parties.
- Further discussions and negotiations contributed to the improvement of Moldova's GPA accession offer, and the ones regarding the Moldovan draft law helped to make it GPA compliant.



## Moldova's Final Offer

- At the **beginning of 2015** Republic of Moldova submitted the **final offer** and the replies to comments of GPA Parties on the Moldovan draft law on PP.
- Moldova expresses its gratitude to GPA Parties for their support in the process of accession to GPA and particular thanks for their contribution to improving the Moldovan law on public procurement adopted in July 2015 (including all provisions as agreed with GPA Parties during negotiations).



# Moldovan legislation

- The previous Moldovan law on public procurement based on UNCITRAL ML 1994 was the Law on public procurement 96-XVI from 13.04.2007;
- On 03 July 2015 the Parliament of Republic of Moldova adopted the Law on Public procurement N. 131 harmonized with EU directives 2004/18/CE and 89/665/EEC.



# GPA TECHNICAL COOPERATION FACILITY

## Republic of Moldova's commitments, thresholds in SDR

COUNTRY	ANNEX 1			ANNEX 2			ANNEX 3		
	Goods	Services	Construction services	Goods	Services	Construction services	Goods	Services	Construction services
<b>Moldova</b>	130,000*	130,000*	5,000,000	200,000*	200,000*	5,000,000	400,000*	400,000*	5,000,000

Annex 1: Central government entities

Annex 2: Sub-central government entities

Annex 3: All other entities which procure in accordance with the Agreement, including all legal entities governed by public law and not having an industrial or commercial character and qualified by the Law on PP as contracting authorities, including utilities.

\* Two year transition period with higher thresholds applies for Goods & Services purchased by entities included in Annex 1- Annex 3, as follows: **Annex 1:** 1<sup>st</sup> year - SDR **300,000**, 2<sup>nd</sup> year SDR **200,000**; **Annex 2:** 1<sup>st</sup> year - SDR **400,000**; 2<sup>nd</sup> year - SDR **300,000**; **Annex 3:** 1<sup>st</sup> year - SDR **600,000**, 2<sup>nd</sup> year -SDR **500,000**.





## **Moldova's main commitments: (2)**

### **ANNEX 4 - GOODS**

1. Unless otherwise specified, this Agreement covers all goods procured by the entities included in Annexes 1 through 3.
2. This Agreement will generally apply to procurement by the Ministry of Defense, Information and Security Service, Border Service or Ministry of Internal Affairs of non sensitive goods in terms of national security (the list is provided).



## Moldova's main commitments 3

### **ANNEX 5 - SERVICES**

This Agreement covers the following services, which are identified in accordance with the United Nations Provisional Central Product Classification, as contained in document MTN.GNS/W/120 (others being excluded):



## List of services:

### Description

1. Maintenance and repair services
2. Hotel and restaurant services
3. Other land transport services
4. Rental services of sea-going vessels with operator
5. Rental services of non-sea-going vessels with operator
6. Air transport services
7. Travel agencies and tour operators services
8. Freight transport agency services
9. Courier services
10. Telecommunications services
11. Financial Services<sup>1</sup>
12. Real estate services
13. Leasing or rental services concerning machinery and equipment without operator
14. Other
15. Computer and related services
16. Legal services
17. Accounting, auditing and bookkeeping services
18. Taxation services
19. Market research and public opinion polling services
20. Management consulting services and related services (except arbitration and conciliation services)
21. Architectural services; engineering services and integrated engineering services, urban planning and landscape architectural services; related scientific and technical consulting services; technical testing and analysis services
22. Advertising services
23. Placement and supply services of personnel
24. Armoured Car Services
25. Photographic services
26. Packaging Services
27. Building-cleaning services and property management services
28. Other business services
29. Services incidental to agriculture, hunting and forestry
30. Services incidental to mining
31. Services incidental to manufacturing
32. Repair services incidental to metal products, machinery and equipment
33. Primary education services
34. Secondary education services
35. Higher education services
36. Adult education services
37. Sewage and refuse disposal; sanitation and similar services
38. Motion picture and video tape production and distribution services

<sup>[1]</sup> Except contracts for financial services in connection with the issue, purchase, sale or transfer of securities or other financial instruments, and central bank services.



## **ANNEX 6 - CONSTRUCTION SERVICES**

All services listed under Division 51 of the CPC Prov.

### **Note to Annex 6**

Construction services are covered in respect of the Ministry of Defence (Annex 1) only to the extent that such construction services are not related to national security and defence.



## **Finalizing GPA accession**

- Since, in the Government Procurement Committee's informal session on 29 October 2014, several Parties suggested that Moldova could well be the next WTO Member to complete its accession to the GPA, and this idea was reiterated in the Committee's session in June 2015,
- We hope that Parties will support Moldova's accession to GPA and the respective decision will be voted at the upcoming Plenary Session, on 16 September 2015.

## GPA TECHNICAL COOPERATION FACILITY

- Thank you for your attention!

