# BRINGING INVESTMENT-SENSITIVE GOVERNMENT PROCUREMENT UNDER INTERNATIONAL TRADE RULES

> “Explicit discrimination in government procurement against foreign suppliers remains a barrier to international trade.”

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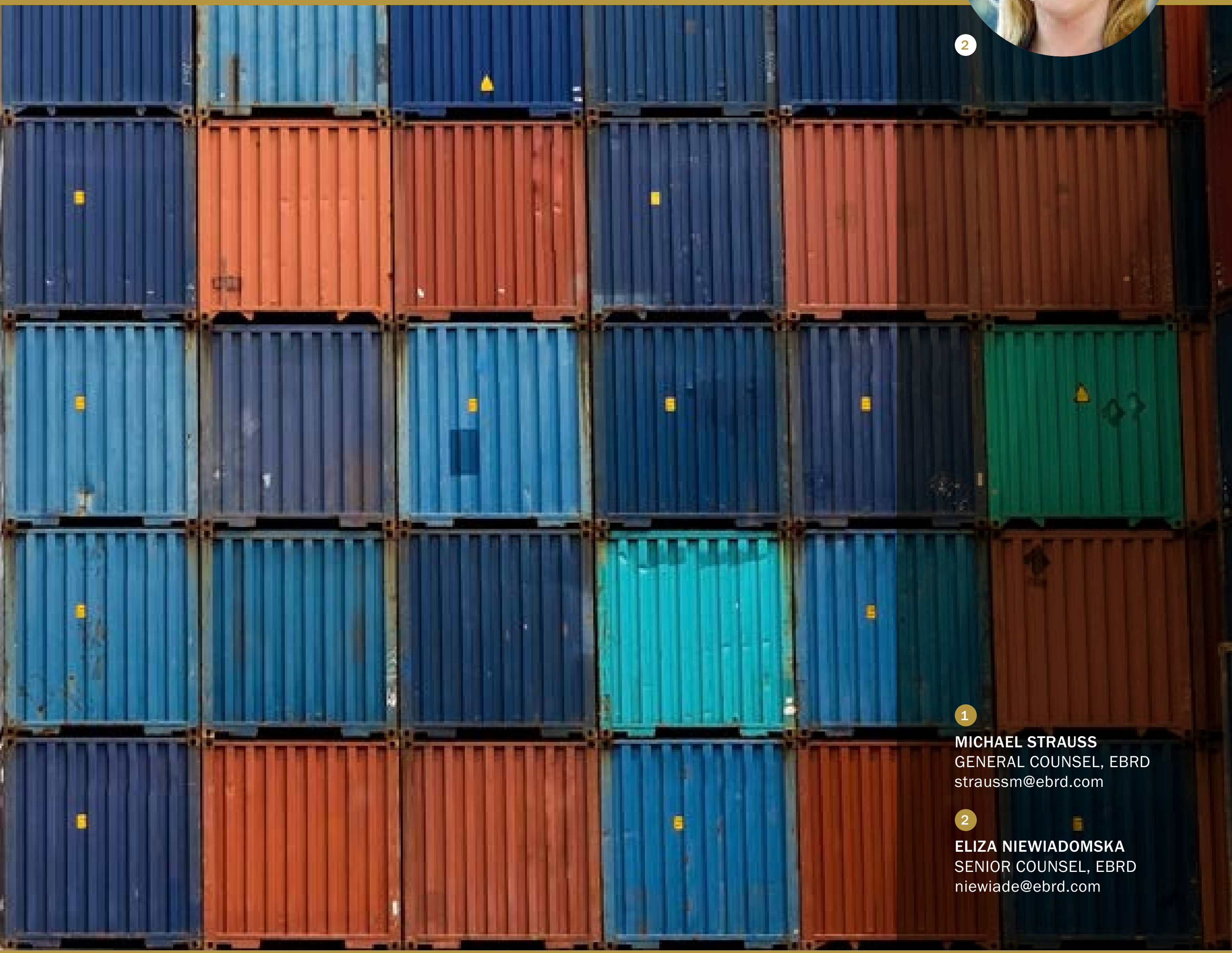

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The WTO's Agreement on Government Procurement (GPA), revised in 2012, is the main global legal instrument for regulating trade in government procurement markets. The EBRD GPA Technical Cooperation Facility helps the transition economies of the EBRD regions accede to the agreement. In the process, it opens new markets to cross-border trade and generates regulatory reforms that make national public procurement systems more transparent, competitive and efficient.

## INTRODUCTION

Standard World Trade Organization (WTO) rules do not apply directly to government procurement markets of WTO members. Instead, the WTO's revised Agreement on Government Procurement (WTO GPA 2012), which came into force on 6 April 2014, is open for WTO members to join and provides a regulatory framework for ensuring that the government procurement covered by the agreement is handled in a competitive, non-discriminatory and transparent manner.

The WTO GPA 2012 allows government procurement markets to be open to cross-border trade and international competition. The binding procurement policy standards on contract awards, suppliers' qualifications and the conditions of the procurement process ensure transparency and non-discriminatory conditions of competition between suppliers, resulting in cost savings for the procuring governments. Thus, the agreement is expected to bring about lower prices, better quality and efficiency gains, while also reducing corruption and collusion risks.

The WTO GPA 2012 can play a key role in extending global trade rules to government procurement markets to help deliver legal certainty, efficiency and predictability in the infrastructure sector, boosting confidence and helping attract foreign direct investment. In collaboration with the WTO Secretariat, the EBRD set up a technical cooperation (TC) programme (EBRD GPA Technical Cooperation Facility) to encourage the EBRD's transition economies to accede to the 2012 agreement. This EBRD-funded technical cooperation has already supported the accessions of Armenia, Moldova, Montenegro, Ukraine and North Macedonia. The EBRD also joined the WTO's Government Procurement Committee as an observer in 2023.

## BACKGROUND

The WTO operates a global system of trade rules and provides a forum for negotiating trade agreements and settling trade disputes between members. WTO rules aim to lower trade costs by reducing tariffs and non-tariff barriers and enhancing the transparency and predictability (standardisation) of cross-border trade. The WTO's trading system gives members an opportunity to increase economic productivity and cut the costs of doing business, thanks to important principles enshrined in WTO rules.

These aspects of the WTO's work are perhaps well known. What is less known is that the WTO global multilateral trading system supports the needs of all economies by monitoring national trade policies. Examples of WTO rules along these lines include commitments to announce trade policy changes, limit restrictive technical regulations and cut export subsidies in agriculture or other markets, all designed to reduce the uncertainty of trade policy and benefiting members and non-members. WTO rules promote competition in trade by building on key principles of:

- transparency (clear information about policies, rules and regulations)
- greater certainty about trading conditions (commitments to lower trade barriers and increase other countries' access to domestic markets, which are legally binding)
- trade facilitation, including the simplification and standardisation of customs procedures, the removal of red tape and the establishment of centralised databases to simplify trade. The economic savings from streamlining commercial exchange have been estimated at between 2 and 15 per cent of the value of the goods traded, according to the Organisation

for Economic Co-operation and Development (OECD).[1] The World Bank estimated in 2017 that every dollar of assistance provided to support trade facilitation reform in developing economies could generate economic benefits of up to US$ 70.

The WTO has 164 members, with 18 other countries negotiating membership. Joining the WTO trading system has required important regulatory changes in the domestic and trade policies of many countries. Besides reducing tariffs, WTO membership involves commitments to remove regulatory non-tariff barriers and improve transparency.

## DEVELOPMENT IMPACT OF THE WTO GLOBAL TRADING SYSTEM

The WTO's role in promoting global trade is supported by economic theory and the latest academic research. Studies analysing total and disaggregated trade flows from 1995 to 2014 and looking into bilateral imports from 133 countries in the primary, textile and industrial sectors provided compelling evidence that the WTO has promoted new member trade, but developed countries continue to benefit more. The latest liberalisations, however, have boosted exports of least developed countries' primary products. Besides market access, the WTO agreements provide greater transparency and predictability that benefit members and non-members alike. Chang et al. (2011) reported a large and positive effect on the trade of GATT and WTO membership (74-277 per cent for countries in both the GATT and WTO). Dutt et al. (2013) found that WTO membership boosted the extensive margin of exports by 25 per cent and had no negative impact on the intensive margin. Larch et al. (2019) examined both domestic and international trade flows to estimate the effects of GATT/WTO membership. On average, joining either has expanded the international trade of a country relative to its domestic sales (dataset covering 178 trading partners in 1980-2016) by about 72 per cent, while GATT/WTO membership has elevated trade between member countries by 171 per cent. Joining the GATT/WTO has led to an average 88 per cent increase in international trade between member and non-member countries.[2]

1 See Gourdon et al. (2017).
2 See Niggli and Osei-Lah (2014).

It is now accepted that the creation of GATT/WTO rules has generated significant trade gains for WTO members as well as non-members. These benefits are even more important because 75 per cent of world merchandise trade today still takes place on a non-discriminatory, most-favoured nation (MFN) basis. According to WTO statistics,[3] the volume of world trade today is about 45 times the level recorded in the early days of the GATT (4,500 per cent growth from 1950 to 2022) and almost 400 times above 1950 levels. Between 1995, when the WTO was first established, and 2022, despite the Covid-19 pandemic, the volume and value of world trade expanded 4 per cent and 6 per cent, respectively, each year. Current tariffs applied between countries that grant MFN status average 9 per cent.

## THE SPECIAL CASE OF GOVERNMENT PROCUREMENT MARKETS

WTO rules do not cover all sectors, markets or economies of WTO members. Investments and spending from state budgets and by state-owned enterprises (SOEs) in the utilities sector, defined together as government or public procurement, are not directly subject to standard WTO trade rules primarily aimed at commercial exchanges between private enterprises.

As a result, explicit discrimination in government procurement against foreign suppliers remains a barrier to international trade. Unlike most WTO agreements, the MFN principle does not apply automatically to the government procurement markets of WTO members. Governments maintain discrimination through government procurement laws, administrative guidelines and/or tacit understandings between government and industry. In addition, as traditional forms of trade discrimination have declined, policies containing local content requirements have emerged in the last decade. The 2017 OECD taxonomy of measures affecting trade in government procurement processes[4] describes several categories of direct and indirect trade barriers in government procurement.

Direct and indirect trade barriers in government procurement rules and practices affect important development priorities aimed at promoting sustainable growth. The consistent availability of and access to efficient public services are fundamental to the performance of national economies, social cohesion and national safety and security. Poor or inefficient infrastructure imposes huge economic costs, both visible and hidden, on businesses. Not only does it boost transport costs, but it also raises other costs in an economy, such as higher inventory levels, lower productivity and higher prices for consumers, with implications for the international competitiveness of domestic firms forced to operate in this environment. Some key prerequisite infrastructure for better economic performance – affordable, efficient and accessible public infrastructure and services (public transport systems, information and communications technology infrastructure, quality water supply, drainage and sanitation systems, a reliable and stable energy supply) – is absent in many regions.

Transport constraints can have a severe impact on an economy, resulting for instance, in a 7 per cent reduction in export volumes and a 16 per cent delay in shipment of goods – costs that are higher still in the case of time-sensitive goods.[5] Effectively resolving supply chain and transport constraints could mean a six-fold rise in world gross domestic product compared with tariff reductions, yielding added benefits in terms of jobs, lower prices and greater balance in the distribution of the gains of trade both in-country and internationally.[6]

Efficient global supply chains constitute an essential prerequisite for global growth, and these supply chains themselves depend on accessible and reliable infrastructure and public services. Citizens and businesses depend on this, in turn relying on national government procurement laws and procurement practices that typically remain outside the WTO system. Economic globalisation in the 21st century is more complex than the case of imports crossing borders. The combination of technological advances and economic reforms facilitating new types of commerce means that goods, services, employees, customers, investments and intellectual property cross borders at an ever-increasing rate. In a world of substantial flows of foreign direct and indirect investment, and where regional production networks and supply chains have extended their reach across many sectors and countries (as demonstrated by the pandemic), government procurement markets benefit only indirectly from borders open to international trade and foreign direct investment.

3 See World Bank Group and World Trade Organization (2018).

4 See Gourdon et al. (2017).

5 See Tas et al. (2018).

6 Ibid.

Development economists highlight the importance of liberalising government procurement markets for a good reason. The 12 largest, most complex and technically advanced infrastructure projects in the world, as presented in Table 1 below, are not at all commercial. Commercial investors fund just three of these projects: Dholera Solar Power Plant (India), the Thames Tideway Tunnel (United Kingdom) and Madison Square Garden Sphere (United States of America). The other projects are commissioned by public-sector clients, with investors ranging from the government of China to a subsidiary of Transport for London in the United Kingdom and international financial organisations. Governments execute different levels of control over SOEs, but effectively a final bill for the SOEs' public infrastructure projects goes to the taxpayer.

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**Table 1.** Largest infrastructure projects in the world, January 2024

| Infrastructure project | Estimated budget | Client |
|---|---|---|
| NEOM City | US$ 500 billion | Public Investment Fund, Saudi Arabia |
| The Gulf Railway | US$ 250 billion | Governments of Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates |
| Dholera Solar Power Plant | US$ 169 billion | Adani Green Energy (commercial) |
| International Space Station | US$ 150 billion | European Space Agency, NASA, JAXA, CSA and Roscosmos |
| South-North Water Transfer Project | US$ 62 billion | Government of China |
| Grand Paris Express | US$ 47.7 billion | Société du Grand Paris, SOE |
| Beijing Daxing International Airport | US$ 46.2 billion | Government of China |
| Al Maktoum International Airport | US$ 33 billion | Dubai South, government of Dubai |
| London Crossrail Project | US$ 23.6 billion | Crossrail Limited, subsidiary of Transport for London, SOE |
| Chuo Shinkansen | US$ 13.7 billion | Japan Railways, SOE |
| Thames Tideway Tunnel | US$ 6.3 billion | Thames Water (commercial) |
| Madison Square Garden Sphere | US$ 2.3 billion | Vici Properties (commercial) |

Source: V. Davies (2023) and F. Farhadi (2023).

## HOW THE WTO GPA 2012 INTEGRATES PROCUREMENT INTO THE GLOBAL TRADING SYSTEM

Given the importance of government procurement markets for the development potential of both advanced and transition economies, most modern bilateral and regional free trade agreements include government procurement-related commitments. However, these are inherently fragmented and do not ensure globally standardised rules for government procurement markets. This is the benefit of the WTO's "code of fair practices on government purchases",[7] the Agreement on Government Procurement, signed under GATT in 1994 and revised in 2012. The WTO GPA 2012 is binding on 49 WTO members and is the main legal instrument in the WTO framework globally regulating trade in government procurement markets. It is underpinned by WTO principles of transparency and non-discrimination. The agreement aims to liberalise and expand international trade, facilitate integrity in government procurement systems and foster the efficient and effective management of public resources.

The WTO GPA 2012 is not part of standard WTO rules and is not binding on countries that join the WTO. It is voluntary and plurilateral. Members negotiate their terms of accession to the agreement and those that accede must adopt procurement policies and practices ensuring that the treatment of the goods, services and suppliers of other GPA parties is "no less favourable" than that given to their domestic goods, services and suppliers. In other words, only accession to the WTO GPA 2012 extends the WTO standard global trading rules of competition and transparency to the national regulation of public contracts. In this regard, the WTO GPA 2012 brings legal certainty, transparency and good governance into government procurement markets covered by the agreement.

The WTO GPA 2012 governs procurement by public-sector clients by any contractual means, including concessions and public-private partnerships. It applies to laws, regulations and purchasing practices regarding any covered public contract. The agreement does not cover every sector or market; upon joining, parties negotiate market access commitments with new acceding countries on a reciprocal basis. It may thus cover procurement by central and subcentral government entities, as well as utilities and other government enterprises that a party designates. Each GPA party's commitments specify public-sector entities – as well as categories of goods, services and works of estimated value equal to or above specified minimum financial threshold values – that are open to procurement bids by companies from other GPA parties.

Goods are covered in general, services that are covered are explicitly specified, and all GPA parties cover construction services in full. In addition, the WTO GPA 2012 provides for binding public procurement policy standards on tendering, selection and awarding requirements, qualification of suppliers, offsets and complaint mechanisms. The agreement also contains exceptions, excluding defence and national security contracts, as well as set-asides for small and minority-owned businesses.

## BENEFITS AND CHALLENGES OF WTO GPA 2012 ACCESSION

The procurement market covered by the WTO GPA 2012 is worth more than US$ 1.7 trillion, according to WTO estimates.[8] Recent empirical evidence suggests that the agreement promotes competition by boosting the probability that a contract will be awarded to a foreign firm. It also fosters cost-effective public procurement by lowering the probability that the procurement price is higher than estimated contracts with single bidders and by decreasing the total number of wins by a single company and/or its subsidiaries. Research has also found that compliance with the WTO GPA 2012 does not translate to higher costs of procurement.[9]

7 See Baldwin and Richardson (1972).

8 See Tas et al. (2018).

9 Ibid.

The list of challenges differs from accession to accession. However, they are typically related to the domestic market's overall openness to international trade and quality of national government procurement laws. Timing and political circumstances of negotiations also play a role.

**Political risks of withdrawal from negotiations/ affiliation.** Some GPA parties criticise the WTO GPA 2012 as "imbalanced" and "too extensive". Others support the idea of more extensive coverage of government procurement markets and promote incorporation of the revised GPA text directly into the WTO's standard global trading system rules, which would then be binding upon securing WTO membership.

**Separate bilateral market access negotiations.** The GPA is open to all WTO members and is negotiated individually and administered by the Committee on Government Procurement, composed of all the parties to the agreement. Any member may accede on terms agreed between that member and all GPA parties. The accession process is based on bilateral negotiations with the acceding party on the procurement that it will cover and a determination by the GPA parties that its national government procurement regime complies with the mandatory policy standards of the WTO GPA 2012.

**Regulatory compliance check.** Unique among WTO trade agreements, the GPA sets the basic policy standards for transparency and competition in cross-border public procurement, in addition to market access. Upon accession, GPA parties incorporate the agreement's mandatory policy requirements in their national public procurement laws.

**Potential new procurement practices and digital tools to implement.** GPA parties need to ensure that their procurement procedures do not preclude competition or create unnecessary obstacles to international trade, including the procurement of SOEs in the utilities sector. The WTO GPA 2012 establishes general rules on permitted procurement methods (that is, open, selective and limited tendering procedures) and the electronic systems through which suppliers engage in competitive bidding for cross-border government procurement contracts.

## HELPING TRANSITION ECONOMIES NAVIGATE WTO GPA 2012 NEGOTIATION, ACCESSION AND IMPLEMENTATION

As a part of the EBRD's mandate to improve the investment climate of the economies where the Bank works, the EBRD's Legal Transition Programme (LTP) helps these governments improve the way they manage public-sector contracting, making procurement systems more transparent, effective and competitive. Building on the Bank's procurement expertise and experience, the LTP started collaborating with the GPA Secretariat in 2011 in a bid to encourage EBRD economies to modernise their national public procurement laws to meet WTO public procurement policy standards, and to consider opening GPA negotiations. Accession to the WTO GPA 2012 is perhaps the most notable milestone in achieving these goals, as it promotes meeting and maintaining international standards for public procurement regulatory frameworks.

Upon revision of the GPA in 2012, the Bank set up a dedicated technical cooperation programme, the EBRD GPA Technical Cooperation Facility, to promote GPA accession among transition countries in the EBRD regions, in collaboration with the WTO Secretariat.

The revised WTO GPA 2012 motivated several such economies to consider accession as a step in their public procurement reforms. Building on this momentum, the EBRD GPA Technical Cooperation Facility has enjoyed considerable success in assisting transition economies' breakthrough in their GPA negotiations. Since its launch, this facility has supported all transition economies that acceded to the WTO GPA 2012 – notably Armenia, Moldova, Montenegro, North Macedonia and Ukraine (all other GPA signatories are highly developed economies).

### Box 1. North Macedonia: support with WTO GPA 2012 negotiations

**Counterpart:**
North Macedonia, Public Procurement Bureau. WTO GPA 2012 accession process initiated in February 2018.

**Background:**
North Macedonia has been reforming its public procurement system since 2009. By 2018, substantial progress on regulatory reforms had been achieved and the government decided to open WTO GPA 2012 negotiations. Also a candidate country for EU accession, North Macedonia opted to negotiate the GPA to gain access to EU member states' public procurement markets before finalising its EU accession process.

**Aim:**
The main objective of GPA accession is to enable domestic business of North Macedonia to fully access the public procurement markets of other GPA parties, in particular those of EU member states, and to improve the competitiveness and transparency of domestic public procurement markets.

**Approach:**
Following North Macedonia's request for technical assistance, the EBRD has actively supported the country's GPA accession process, including bilateral negotiations with GPA parties. Technical experts of the EBRD GPA Technical Cooperation Facility have provided capacity building and proactive support with structuring and conducting bilateral negotiations, as well as on drafting the subsequent market access offers. In addition, the experts provided policy advice to guide the development of primary and secondary public procurement legislation and ensure the compliance of domestic laws with WTO GPA 2012 procurement policy standards.

**Results:**

- In January 2019, the Parliament of North Macedonia adopted a new public procurement law, transposing the 2014 EU Directives on Public Procurement and achieving compliance with WTO GPA 2012 standards. Likewise, the ratification of the Prespa Agreement in January 2019 positively contributed to the progress of WTO GPA 2012 negotiations.
- Twelve rounds of bilateral negotiations with GPA parties over five years were necessary to agree a WTO GPA 2012 market access offer for North Macedonia.
- In spring 2023, the WTO Committee accepted North Macedonia's accession to the WTO GPA 2012. The Parliament ratified this international agreement in autumn 2023 and it entered into force.
- Today, companies of North Macedonia have full access to the public procurement markets of GPA parties. This includes access to public procurement markets of EU member states, which otherwise would be achieved only when North Macedonia accedes to the European Union.

The EBRD GPA Technical Cooperation Facility provides regulatory advice and technical support to governments seeking accession to the agreement by providing (1) capacity-building activities, (2) country-specific technical cooperation and (3) accession negotiation assistance to economies in the EBRD regions that wish to accede. Most importantly, the Bank helps transition economies overcome any institutional, legal and/or trade policy challenges related to WTO GPA 2012 accession they may face during the negotiations and after the accession.

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### Box 2. **Moldova: e-procurement for WTO GPA 2012 compliance**

**Counterpart:**
Moldova, Ministry of Finance, Ministry of Economy and Infrastructure, from June 2019.

**Background:**
Moldova joined the WTO GPA 2012 on 16 July 2016. To implement WTO GPA 2012 standards and accession commitments, as well as achieve the targets of the roadmaps for the Association Agreement with the European Union, the Ministry of Finance of Moldova and the Ministry of Economy and Infrastructure of Moldova worked with the EBRD TC project to develop new digital procurement policies compliant with WTO standards and launch a national-level comprehensive electronic public procurement (e-procurement) system, MTender.

**Aim:**
Upon WTO GPA 2012 accession, the Ministry of Economy and Infrastructure became responsible for implementing WTO GPA 2012 policy standards. This specifically included introducing WTO GPA 2012 public procurement policy standards to entities in the utilities sector (GPA Annex III entities).

At the point of Moldova's accession to the GPA, national public procurement laws did not cover utilities sector entities, which became obliged by WTO GPA 2012 standards to adopt new procurement practices based on the ratification of this international agreement by the Moldovan Parliament.

**Digital transition:**
MTender is a multi-platform networking digital procurement service. It consists of a government-operated open data central database and portal and a network of a public and commercial electronic platforms certified to support electronic tendering for the public sector. MTender is a technologically advanced solution built using emerging technologies for automation. It is deeply integrated with e-government services and implements the Open Contracting Data Standard for data interoperability, as well as for open public online access to information on public procurement in Moldova. To comply with WTO GPA 2012 standards for utilities, MTender workflows were upgraded/developed to meet GPA requirements and brought the transparency and competition of public procurements in Moldova to a new level.

**Results:**
- Experts delivered capacity-building assistance to raise awareness of new obligations and standards to utilities sector entities in November and December 2019, training more than 80 procurement officers of key Moldovan utilities.
- WTO GPA 2012 procedural standards for utilities' public procurement were tailored to local needs, as reported by Moldovan utilities sector entities in a survey (February 2020), and prepared for implementation in the national e-procurement system.
- A new digital "GPA procedure" tool for MTender was developed, tested in the Moldovan context and transferred to the Centre for Information Technologies in Finance, an operator of MTender for the Ministry of Finance of Moldova.
- The MTender pilot implemented GPA/EU public procurement policy standards within 26 months and reached 3,000 public buyers (almost 95 per cent of the market) and about 4,500 sellers (a 30 per cent increase in new suppliers brought to the market and, overall, 30 per cent of local SMEs).

Perhaps the most valuable TC support entails help with designing the negotiation strategy, support during parallel bilateral negotiations and post-accession technical assistance with implementation of WTO GPA 2012 policy standards and commitments in national legislation and local procurement practice. Under the EBRD GPA Technical Cooperation Facility, the LTP enjoys an excellent working relationship with the WTO Secretariat. It has developed strong links with key GPA parties (Canada, the European Union, Japan, the United States) and effectively promotes innovative public procurement policy thinking to GPA working groups (SMEs, Market Statistics).

## Box 3. **Ukraine: GPA cross-border bidding capacity building for suppliers**

**Counterpart:**
Ministry of Economic Development, Trade and Agriculture (MEDTA), Ukraine, from August 2019.

**Background:**
Ukraine has been a GPA party since 2016 and is well known for its advanced e-procurement system PROZORRO, implemented with the strong support of the EBRD. Since Ukraine's GPA accession, businesses from GPA countries have increased their participation in Ukrainian public procurement markets. However, Ukrainian companies were not very successful when it came to public tenders conducted by GPA parties. As such, the government requested technical support from the EBRD to help Ukrainian companies benefit from new business opportunities in the GPA countries.

**Aim:**
Technical cooperation facilitated GPA implementation in Ukraine by identifying bottlenecks hindering the effective participation of domestic suppliers in public procurement markets of GPA countries and designing and testing support mechanisms for MEDTA to increase Ukrainian business participation in public procurement markets covered by the GPA and cross-border bidding for public contracts.

**Approach:**
TC experts helped to develop different methodological tools, including online surveys, training resources and awareness activities for Ukrainian suppliers. MEDTA published dedicated online resources to provide practical tools for improving the effectiveness and success of Ukrainian suppliers in cross-border government procurement.

**Results:**
Within 12 months, a team of TC experts:

- conducted a survey among Ukrainian businesses to identify bottlenecks/non-regulatory barriers to cross-border trade with GPA countries, with findings and recommendations presented to MEDTA
- designed and delivered training and awareness-raising activities, with two country-level seminars and 18 smaller outreach events
- researched and analysed cases of successful participation by Ukrainian businesses in the cross-border tenders of GPA countries in 2019-20, with a report published online by MEDTA
- developed a set of guidelines on public procurement rules and practices in seven GPA countries most attractive to Ukrainian firms
- actively advised about 375 Ukrainian companies interested in bidding in GPA public tenders abroad
- assisted selected Ukrainian suppliers participating in GPA tenders, with 18 cases of Ukrainian companies winning a contract in a GPA country.

## CONCLUSIONS

The WTO GPA 2012 crystallises current best practices in government procurement, approved and accepted by WTO members. It is harmonised with other relevant international legal instruments, including the 2014/2017 European Union directives on public procurement and the 2011 UNCITRAL Model Law on Public Procurement. It therefore complements other efforts by developing and transition economies to reform their government procurement systems.

The advantages of more countries in the EBRD regions joining the GPA are evident: EBRD economies would work towards more open and globally harmonised procurement rules for public contracts. The harmonised procurement policies, combined with access to the markets of the GPA parties, are expected to create new international trade opportunities: the WTO estimates the value of GPA market access commitments under the agreement at more than US $1.7 trillion a year. Results of the latest empirical studies suggest that joining the WTO GPA 2012 has a positive impact on the trade of both goods and services between parties, as well as on outward foreign affiliate service sales. The number of GPA parties has a small marginal negative effect on trade in goods. Service exports also rise slightly when more parties participate in the GPA. The growth of government procurement contracts above the threshold under the GPA also fosters service imports, exports and outward foreign affiliate sales.

The role of the WTO GPA 2012 in supporting development is to provide transparent, predictable and non-discriminatory government procurement regimes that foster good governance, attract investment, promote competitiveness and contribute to economic transformation. Accession to the WTO GPA 2012 can create market access opportunities for developing and transition economies, build trade capacity, align their government procurement policies with international best practice and extend WTO international trade rules to government procurement markets. This can lead to more cross-border trade, job creation, infrastructure development and integration into global value chains, contributing to sustainable growth.

The experience of the EBRD GPA Technical Cooperation Facility in terms of TC with the WTO Secretariat and technical assistance and capacity building provided to transition economies spotlights the potentially critical role that international organisations may play to help bring investment-sensitive government procurement markets under the WTO system of international trade rules.

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