

# RECENT DEVELOPMENTS

## INTERNATIONAL

### **WTO Agreement on Government Procurement and Environment Issues**

The *World Trade Organisation Agreement on Government Procurement* (AGP) is one of plurilateral agreements under the umbrella of the WTO. The AGP is due to enter into force on 1 January 1996 although Australia is not currently a signatory and has given no commitment on accession.

The provisions of the AGP apply to state and federal government's purchasing of goods, services and construction services above stipulated thresholds. The Agreement sets rules on tendering procedures, the qualification of suppliers, awards of contracts, use of specifications, time limits, publication requirements and bid challenge procedures for suppliers.

The Department of Foreign Affairs and Trade (DFAT) is currently considering the implications for Australian industry of possible membership of the AGP. DFAT has issued a discussion paper on the AGP and environment issues. The paper concludes that the AGP does not constrain the ability of governments to implement domestic policies linked to government purchasing provided these are not trade distorting. Therefore the AGP is said to place few impediments on governments wishing to pursue environmental objectives through government purchasing.

DFAT is seeking comment from interested individuals on the discussion paper which is available from the NELA National Office.

### **Second Meeting of the Ad Hoc Group on the Berlin Mandate**

At the First Conference of the Parties to the Framework Convention on Climate Change in Berlin 130 nations agreed on a mandate for further negotiations. It was agreed that by 1997 parties would negotiate a protocol under the Convention which established "quantified limitation and reduction objectives within specified time frame such as 2005, 2010 and 2020".

The second meeting of the Ad Hoc Group on the Berlin Mandate met in Geneva from 30 October to 3 November 1995. Given Australia's heavy reliance on fossil fuels and the European Union's (EU) commitment to negotiating further reductions in emissions the meetings are likely to be rather awkward for Australia's negotiating team.

It is understood that the EU has put forward a possible outline for the structure of a protocol. The proposal does not make specific recommendations on particular policies and measures or on objectives and timeframes. However by defining a possible structure for the protocol the EU hopes to focus discussions.

A key element of the EU proposal is that the protocol should contain three annexes containing lists of policies and measures:-

- \* Annex 1 would include policies and measures which developed countries agreed to adopt and include in their national programmes.
- \* Annex 2 would contain policies and measures which it was agreed should be given high priority consideration for inclusion in national programmes.
- \* Annex 3 would include policies and measures which are identified as having proven effectiveness or potential and which should be considered for inclusion.

It is envisaged that each annex would be frequently reviewed and updated in light of further analysis and assessment.

Copies of the agenda papers for the Second Meeting of the Ad Hoc Group on the Berlin Mandate are available from the NELA National Office.

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