

LEGISLATIVE ACTS AND OTHER INSTRUMENTS

Subject : Annexes VII to XIV to Decision Nr. 2/2000 of the EC-Mexico Joint Council of
23 March 2000

Government Procurement (referred to in Title III of the Decision) continued

<i>(Annex VI</i>	<i>Covered entities under Title III¹)</i>
Annex VII	Covered goods
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¹ Annex VI (covered entities) to be found in separate document

COVERED GOODS
(REFERRED TO IN ARTICLE 25)

PART A – LIST OF GOODS COVERED BY MEXICO

This Title applies to all goods. However, for procurement by the Secretaría de la Defensa Nacional and the Secretaría de Marina only the following goods are included in the coverage of this Title:

(Note: numbers refer to the Federal Supply Classification codes)

22. Railway equipment
23. Motor vehicles, trailers and cycles (except buses in 2310; and military trucks and trailers in 2320 and 2330 and tracked combat, assault and tactical vehicles in 2350)
24. Tractors
25. Vehicular equipment components
26. Tires and tubes
29. Engine accessories
30. Mechanical power transmission equipment
32. Woodworking machinery and equipment
34. Metal working machinery
35. Service and trade equipment
36. Special industry machinery
37. Agricultural machinery and equipment
38. Construction, mining, excavating and highway maintenance equipment
39. Materials handling equipment
40. Rope, cable, chain and fittings
41. Refrigeration and air conditioning equipment
42. Fire fighting, rescue and safety equipment)
43. Pumps and compressors
44. Furnace, steam plant, drying equipment and nuclear reactors

45. Plumbing, heating and sanitation equipment
46. Water purification and sewage treatment equipment
47. Pipe, tubing, hose and fittings
48. Valves
49. Maintenance and repair shop equipment
52. Measuring tools
53. Hardware and abrasives
54. Prefabricated structures and scaffolding
55. Lumber, millwork, plywood and veneer
56. Construction and building materials
61. Electric wire and power and distribution equipment
62. Lighting fixtures and lamps
63. Alarm and signal systems
65. Medical, dental and veterinary equipment and supplies
66. Instruments and laboratory equipment
67. Photographic equipment
68. Chemicals and chemical products
69. Training aids and devices
70. General purpose automatic data processing equipment, software, supplies and support equipment
71. Furniture
72. Household and commercial furnishings and appliances
73. Food preparation and serving equipment
74. Office machines, text processing system and visible record equipment
75. Office supplies and devices
76. Books, maps and other publications (except 7650: drawings and specifications)
77. Musical instruments, phonographs and home-type radios
78. Recreational and athletic equipment
79. Cleaning equipment and supplies
80. Brushes, paints, sealers and adhesives
81. Containers, packaging and packing supplies

- 85. Toiletries
- 87. Agricultural supplies
- 88. Live animals
- 91. Fuels, lubricants, oils and waxes
- 93. Non-metallic fabricated materials
- 94. Non-metallic crude materials
- 96. Ores, minerals and their primary products (except 9620: minerals, natural and synthetic)
- 99. Miscellaneous

PART B – LIST OF GOODS COVERED BY THE COMMUNITY

This Title applies to all goods, unless otherwise indicated elsewhere in this Title or its Annexes. However, for procurement by the Ministries of Defence in Austria, Belgium, Denmark, the Federal Republic of Germany, Spain, Finland, France, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Sweden and the United Kingdom, only the following list of supplies and equipment is covered by this Title:

(Harmonised System codes)

- Chapter 25: Salt, sulphur, earths and stone, plastering materials, lime and cement
- Chapter 26: Metallic ores, slag and ash
- Chapter 27: Mineral fuels, mineral oils and products of their distillation, bituminous substances, mineral waxes
except:
ex 27.10: special engine fuels (except Austria)
heating and engine fuels (only Austria)
- Chapter 28: Inorganic chemicals, organic and inorganic compounds of precious metals, of rare-earth metals, of radio-active elements and isotopes
except:
ex 28.09: explosives
ex 28.13: explosives
ex 28.14: tear gas

- ex 28.28: explosives
- ex 28.32: explosives
- ex 28.39: explosives
- ex 28.50: toxic products
- ex 28.51: toxic products
- ex 28.54: explosives
- Chapter 29: Organic chemicals
 - except:
 - ex 29.03: explosives
 - ex 29.04: explosives
 - ex 29.07: explosives
 - ex 29.08: explosives
 - ex 29.11: explosives
 - ex 29.12: explosives
 - ex 29.13: toxic products
 - ex 29.14: toxic products
 - ex 29.15: toxic products
 - ex 29.21: toxic products
 - ex 29.22: toxic products
 - ex 29.23: toxic products
 - ex 29.26: explosives
 - ex 29.27: toxic products
 - ex 29.29: explosives
- Chapter 30: Pharmaceutical products
- Chapter 31: Fertilisers
- Chapter 32: Tanning and dyeing extracts, tannings and their derivatives, dyes, colours, paints and varnishes, putty, fillers and stoppings, inks
- Chapter 33: Essential oils and resinoids, perfumery, cosmetic or toilet preparations
- Chapter 34: Soap, organic surface-active agents, washing preparations, lubricating preparations, artificial waxes, prepared waxes polishing and scouring preparations, candles and similar articles, modelling pastes and "dental waxes"

- Chapter 35: Albuminoidal substances, glues, enzymes
- Chapter 36: Explosives, pyrotechnic products, matches, pyrophoric alloys, certain combustible preparations (only Austria and Sweden)
except (only Austria)
ex 36.01: propellant powders
ex 36.02: prepared explosives
ex 36.04: detonators
ex 36.08: explosives
- Chapter 37: Photographic and cinematographic goods
- Chapter 38: Miscellaneous chemical products
except:
ex 38.19: toxic products (not for Sweden)
- Chapter 39: Artificial resins and plastic materials, cellulose esters and ethers, articles thereof
except:
ex 39.03: explosives (not for Sweden)
- Chapter 40: Rubber, synthetic rubber, factice, and articles thereof
except:
ex 40.11: bullet-proof tyres (not for Sweden)
- Chapter 41: Raw hides and skins (other than furskins) and leather: (not for Austria)
- Chapter 42: Articles of leather, saddlery and harness, travel goods, handbags and similar containers, articles of animal gut (other than silk-worm gut) (not for Austria)
- Chapter 43: Furskins and artificial fur, manufactures thereof
- Chapter 44: Wood and articles of wood, wood charcoal: (not for Austria)
- Chapter 45: Cork and articles of cork
- Chapter 46: Manufactures of straw of esparto and of other plaiting materials, basketware and wickerwork
- Chapter 47: Paper-making material
- Chapter 48: Paper and paperboard, articles of paper pulp, of paper or of paperboard: (not for Austria)
- Chapter 49: Printed books, newspapers, pictures and other products of the printing industry, manuscripts, typescripts and plans: (not for Austria)

- Chapter 65: Headgear and parts thereof
except (only Austria):
ex 65.05: military headgear
- Chapter 66: Umbrellas, sunshades, walking-sticks, whips, riding-crops and parts thereof
- Chapter 67: Prepared feathers and down and articles made of feathers or of down, artificial flowers, articles of human hair
- Chapter 68: Articles of stone, of plaster, of cement, of asbestos, of mica and of similar materials
- Chapter 69: Ceramic products
- Chapter 70: Glass and glassware
- Chapter 71: Pearls, precious and semi-precious stones, precious metals, rolled precious metals, and articles thereof; imitation jewellery
- Chapter 72: Coins (only Austria and Sweden)
- Chapter 73: Iron and steel and articles thereof
- Chapter 74: Copper and articles thereof
- Chapter 75: Nickel and articles thereof
- Chapter 76: Aluminium and articles thereof
- Chapter 77: Magnesium and beryllium and articles thereof
- Chapter 78: Lead and articles thereof
- Chapter 79: Zinc and articles thereof
- Chapter 80: Tin and articles thereof
- Chapter 81: Other base metals employed in metallurgy and articles thereof
- Chapter 82: Tools, implements, cutlery, spoons and forks, of base metal, parts thereof
except:
ex 82.05: tools (not for Austria)
ex 82.07: tools, parts
ex 82.08: hand tools (only Austria)
- Chapter 83: Miscellaneous articles of base metal

- Chapter 84: Boilers, machinery and mechanical appliances, parts thereof
except:
ex 84.06: engines
ex 84.08: other engines
ex 84.45: machinery
ex 84.53: automatic data-processing machines (not for Austria)
ex 84.55: parts of machines under heading No 84.53 (not for Austria and Sweden)
ex 84.59: nuclear reactors (not for Austria and Sweden)
- Chapter 85: Electrical machinery and equipment, parts thereof
except:
ex 85.03: electric cells and batteries (only Austria)
ex 85.13: telecommunication equipment
ex 85.15: transmission apparatus
- Chapter 86: Railway and tramway locomotives, rolling-stock and parts thereof; railway and tramway tracks fixtures and fittings, traffic signalling equipment of all kinds (not electrically powered)
except:
ex 86.02: armoured locomotives, electric
ex 86.03: other armoured locomotives
ex 86.05: armoured wagons
ex 86.06: repair wagons
ex 86.07: wagons
- Chapter 87: Vehicles, other than railway or tramway rolling-stock, and parts thereof
except:
ex 87.08: tanks and other armoured vehicles
ex 87.01: tractors
ex 87.02: military vehicles
ex 87.03: breakdown lorries
ex 87.09: motorcycles
ex 87.14: trailers

- Chapter 88: Aircraft and parts thereof (only Austria)
- Chapter 89: Ships, boats and floating structures
except:
ex 89.01: warships (only Austria)
ex 89.01 A: warships (except Austria)
ex 89.03: floating structures (only Austria)
- Chapter 90: Optical, photographic, cinematographic, measuring, checking, precision, medical and surgical instruments and apparatus, parts thereof
except:
ex 90.05: binoculars
ex 90.13: miscellaneous instruments, lasers
ex 90.14: telemeters
ex 90.28: electrical and electronic measuring instruments
ex 90.11: microscopes (not for Sweden and Austria)
ex 90.17: medical instruments (not for Sweden and Austria)
ex 90.18: mechano-therapy appliances (not for Sweden and Austria)
ex 90.19: orthopaedic appliances (not for Sweden and Austria)
ex 90.20: X-ray apparatus (not for Sweden and Austria)
- Chapter 91: Clocks and watches and parts thereof
- Chapter 92: Musical instruments, sound recorders or reproducers, television image and sound recorders or reproducers, parts and accessories of such articles
- Chapter 94: Furniture and parts thereof, bedding, mattresses, mattress supports, cushions and similar stuffed furnishings
except:
ex 94.01 A: aircraft seats (not for Austria)
- Chapter 95: Articles and manufactures of carving or moulding material
- Chapter 96: Brooms, brushes, powder-puffs and sieves
- Chapter 97: Toys, games and sport requisites, parts thereof (only Austria and Sweden)
- Chapter 98: Miscellaneous manufactured articles

COVERED SERVICES
(REFERRED TO IN ARTICLE 25)

PART A - LIST OF SERVICES COVERED BY MEXICO

This Title applies to all services set out below that are procured by the entities listed in Part A of Annex VI.

Note: Based on the United Nations Central Product Classification (CPC)

CPC Professional Services

863 Taxation services (excluding legal services)

Architectural services

86711 Advisory and pre-design architectural services

86712 Architectural design services

86713 Contract administration services

86714 Combined architectural design and contract administration services

86719 Other architectural services

Engineering services

86721 Advisory and consultative engineering services

86722 Engineering design services for foundations and building structures

86723 Engineering design services for mechanical and electrical installations for buildings

86724 Engineering design services for civil engineering construction

86725 Engineering design for industrial processes and production

86726 Engineering design services n.e.c.

86727 Other engineering services during the construction and installation phase

86729 Other engineering services

Integrated engineering services

- 86731 Integrated engineering services for transportation, infrastructure turnkey projects
- 86732 Integrated engineering and project management services for water supply and sanitation works turnkey projects
- 86733 Integrated engineering services for the construction of manufacturing turnkey projects
- 86739 Integrated engineering services for other turnkey projects
- 8674 Urban planning and landscape architectural services

Computer and Related Services

- 841 Consultancy services related to the installation of computer hardware
- 842 Software implementation services, including systems and software consulting services, systems analysis, design, programming and maintenance services
- 843 Data processing services, including processing, tabulation and facilities management services
- 844 Data base services
- 845 Maintenance and repair services of office machinery and equipment including computers
- 849 Other computer services

Real Estate Services

- 821 Real estate services involving own or leased property
- 822 Real estate services on a fee or contract basis

Rental/Leasing Services without Operators

- 831 Leasing or rental services concerning machinery and equipment without operator, including computers
- 832 Leasing or rental services concerning personal and household goods (excluding in 83201, the rental of prerecorded records, sound cassettes, CD's and excluding 83202, rental services concerning video tapes)

Other Business Services

Management consulting services

- 86501 General management consulting services
- 86503 Marketing management consulting services
- 86504 Human resources management consulting services
- 86505 Production management consulting services
- 86509 Other management consulting services, including agrology, agronomy, farm management and related consulting services
- 8676 Technical testing and analysis services including quality control and inspection
- 8814 Services incidental to forestry and logging, including forest management
- 883 Services incidental to mining, including, drilling and field services

Related scientific and technical consulting services

- 86751 Geological, geophysical and other scientific prospecting services, including those related to mining
- 86752 Subsurface surveying services
- 86753 Surface surveying services
- 86754 Map making services
- 8861
through
- 8866 Repair services incidental to metal products, to machinery and equipment including computers and communications equipment
- 874 Building-cleaning
- 876 Packaging services

Environmental Services

- 940 Sewage and refuse disposal, sanitation and other environmental protection services, including sewage services, nature and landscape protection services and other environmental protection services n.e.c.

Hotels and restaurants (including catering)

641 Hotel and other lodging services

642 Food services

643 Beverage serving services

Travel agency and tour operators services

7471 Travel agency and tour operator services

PART B – LIST OF SERVICES COVERED BY THE COMMUNITY

This Title applies to all services set out below that are procured by the entities listed in Part B of Annex VI.

Subject	CPC Reference No.
Maintenance and repair services	6112, 6122, 633, 886
Land transport services, including armoured car services, and courier services, except transport of mail	712 (except 71235), 7512, 87304
Air transport services of passengers and freight, except transport of mail	73 (except 7321)
Transport of mail by land, except rail, and by air	71235, 7321
Telecommunications services	752 * (except 7524, 7525, 7526)
Financial services	ex 81
(a) Insurance services	812, 814
(b) Banking and investments services **	
Computer and related services	84
Accounting, auditing and bookkeeping services	862
Market research and public opinion polling services	864
Management consulting services and related services	865, 866 ***
Architectural services; engineering services and integrated engineering services, urban planning and landscape architectural services; related scientific and technical consulting services; technical testing and analysis services	867
Advertising services	871
Building-cleaning services and property management services	874, 82201 - 82206
Publishing and printing services on a fee or contract basis	88442
Sewage and refuse disposal; sanitation and similar services	94

Notes to Part B

- * Except voice telephony, telex, radiotelephony, paging and satellite services.
 - ** Except contracts for financial services in connection with the issue, sale, purchase or transfer of securities or other financial instruments, and central bank services. In Finland payments from governmental entities (expenses) shall be transacted through a certain credit institution (Postipankki Ltd) or through the Finnish Postal Giro System. In Sweden, payments to and from governmental agencies shall be transacted through the Swedish Postal Giro System (Postgiro).
 - *** Except arbitration and conciliation services.
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COVERED CONSTRUCTION SERVICES
(REFERRED TO IN ARTICLE 25)

PART A - LIST OF CONSTRUCTION SERVICES COVERED BY MEXICO

This Title applies to all construction services set out below that are procured by the entities listed in Part A of Annex VI.

Construction Work Codes

Note: Based on the United Nations Central Product Classification (CPC) Division 51.

Definition of Construction work: Pre-erection work; new construction and repair, alteration, restoration and maintenance work on residential buildings, non-residential buildings or civil engineering works. This work can be carried out either by general contractors who do the complete construction work for the owner of the project, or on own account; or by subcontracting parts of the construction work to contractors specialising, e.g., in installation work, where the value of work done by subcontractors becomes part of the main contractor's work. The products classified here are services which are essential in the production process of the different types of constructions, the final output of construction activities.

Code Descriptions

511 Pre-erection work at construction sites

5111 Site investigation work

5112 Demolition work

5113 Site formation and clearance work

5114 Excavating and earthmoving work

- 5115 Site preparation work for mining (except for mining of oil and gas which is classified under FO42)
- 5116 Scaffolding work
- 512 Construction works for buildings
 - 5121 For one and two dwelling buildings
 - 5122 For multi-dwelling buildings
 - 5123 For warehouses and industrial buildings
 - 5124 For commercial buildings
 - 5125 For public entertainment buildings
 - 5126 For hotel, restaurant and similar buildings
 - 5127 For educational buildings
 - 5128 For health buildings
 - 5129 For other buildings
- 513 Construction work for civil engineering
 - 5131 For highways (except elevated highways), streets, roads, railways and airfield runways
 - 5132 For bridges, elevated highways, tunnels, subways and railroads
 - 5133 For waterways, harbours, dams and other water works
 - 5134 For long distance pipelines, communication and power lines (cables)
 - 5135 For local pipelines and cables; ancillary works
 - 5136 For constructions for mining and manufacturing
 - 5137 For constructions for sport and recreation
 - 5138 Dredging services
 - 5139 For engineering works n.e.c.
- 514 Assembly and erection of prefabricated constructions
- 515 Special trade construction work
 - 5151 Foundation work, including pile driving
 - 5152 Water well drilling
 - 5153 Roofing and water proofing
 - 5154 Concrete work
 - 5155 Steel bending and erection, including welding
 - 5156 Masonry work

- 5159 Other special trade construction work
- 516 Installation work
- 5161 Heating, ventilation and air conditioning work
- 5162 Water plumbing and drain laying work
- 5163 Gas fitting construction work
- 5164 Electrical work
- 5165 Insulation work (electrical wiring, water, heat, sound)
- 5166 Fencing and railing construction work
- 5169 Other installation work
- 517 Building completion and finishing work
- 5171 Glazing work and window glass installation work
- 5172 Plastering work
- 5173 Painting work
- 5174 Floor and wall tiling work
- 5175 Other floor laying, wall covering and wall papering work
- 5176 Wood and metal joinery and carpentry work
- 5177 Interior fitting decoration work
- 5178 Ornamentation fitting work
- 5179 Other building completion and finishing work
- 518 Renting services related to equipment for construction or demolition of buildings or civil engineering works, with operator.

PART B – LIST OF CONSTRUCTION SERVICES COVERED BY THE COMMUNITY

This Title applies to all construction services set out below that are procured by the entities listed in Part B of Annex VI.

Definition: For the purposes of Part B of this Annex, a construction service contract is a contract which has as its objective the execution by whatever means of civil or building works, in the sense of Division 51 of the Central Product Classification.

List of Division 51, CPC

Group	Class	Subclass	Title	Corresponding ISCI
Section 5			CONSTRUCTION WORK AND CONSTRUCTIONS: LAND	
Division 51			CONSTRUCTION WORK	
511			Pre-erection work at construction sites	
	5111	51110	Site investigation work	4510
	5112	51120	Demolition work	4510
	5113	51130	Site formation and clearance work	4510
	5114	51140	Excavating and earthmoving work	4510
	5115	51150	Site preparation work for mining	4510
	5116	51160	Scaffolding work	4520
512			Construction work for buildings	
	5121	51210	For one- and two-dwelling buildings	4520
	5122	51220	For multi-dwelling buildings	4520
	5123	51230	For warehouses and industrial buildings	4520
	5124	51240	For commercial buildings	4520
	5125	51250	For public entertainment buildings	4520
	5126	51260	For hotel, restaurant and similar buildings	4520
	5127	51270	For educational buildings	4520
	5128	51280	For health buildings	4520
	5129	51290	For other buildings	4520
513			Construction work for civil engineering	

Group	Class	Subclass	Title	Corresponding ISCI
	5131	51310	For highways (except elevated highways), street, roads, railways and airfield runways	4520
	5132	51320	For bridges, elevated highways, tunnels and subways	4520
	5133	51330	For waterways, harbours, dams and other water works	4520
	5134	51340	For long distance pipelines, communication and power lines (cables)	4520
	5135	51350	For local pipelines and cables; ancillary works	4520
	5136	51360	For constructions for mining and manufacturing	4520
	5137		For constructions for sport and recreation	
		51371	For stadia and sports grounds	4520
		51372	For other sport and recreation installations (e.g. swimming pools, tennis courts, golf courses)	4520
	5139	51390	For engineering works n.e.c.	4520
514	5140	51400	Assembly and erection of prefabricated constructions	4520
515			Special trade construction work	
	5151	51510	Foundation work, including pile driving	4520
	5152	51520	Water well drilling	4520
	5153	51530	Roofing and water proofing	4520
	5154	51540	Concrete work	4520

Group	Class	Subclass	Title	Corresponding ISCI
	5155	51550	Steel bending and erection (including welding)	4520
	5156	51560	Masonry work	4520
	5159	51590	Other special trade construction work	4520
516			Installation work	
	5161	51610	Heating, ventilation and air conditioning work	4530
	5162	51620	Water plumbing and drain laying work	4530
	5163	51630	Gas fitting construction work	4530
	5164		Electrical work	
		51641	Electrical wiring and fitting work	4530
		51642	Fire alarm construction work	4530
		51643	Burglar alarm system construction work	4530
		51644	Residential antenna construction work	4530
		51649	Other electrical construction work	4530
	5165	51650	Insulation work (electrical wiring, water, heat, sound)	4530
	5166	51660	Fencing and railing construction work	4530
	5169		Other installation work	
		51691	Lift and escalator construction work	4530
		51699	Other installation work n.e.c.	4530
517			Building completion and finishing work	

Group	Class	Subclass	Title	Corresponding ISCI
	5171	51710	Glazing work and window glass installation work	4540
	5172	51720	Plastering work	4540
	5173	51730	Painting work	4540
	5174	51740	Floor and wall tiling work	4540
	5175	51750	Other floor laying, wall covering and wall papering work	4540
	5176	51760	Wood and metal joinery and carpentry work	4540
	5177	51770	Interior fitting decoration work	4540
	5178	51780	Ornamentation fitting work	4540
	5179	51790	Other building completion and finishing work	4540
518	5180	51800	Renting services related to equipment for construction or demolition of buildings or civil engineering works, with operator	4550

THRESHOLDS
(REFERRED TO IN ARTICLE 25)

PART A – THRESHOLDS APPLICABLE TO MEXICO

1. The thresholds for procurement, by entities listed under Section 1 of Annex VI.A (federal government entities) are:
 - 100 000 United States dollars for goods or services specified in Annexes VII, VIII, or any combination thereof, and
 - 6 500 000 United States dollars for construction services specified in Annex IX.

2. The thresholds for procurements by entities listed under Section 2 of Annex VI.A (government enterprises) are:
 - 250 000 United States dollars for goods or services specified in Annexes VII, VIII, or any combination thereof, and
 - 8 000 000 United States dollars for construction services specified in Annex IX.

3. However, in order to provide equivalence to the current value of the thresholds applied in the context of NAFTA, Mexico shall, from the entry into force of this Decision, apply the actual NAFTA thresholds instead of those mentioned in paragraphs 1 and 2.

PART B – THRESHOLDS APPLICABLE TO THE COMMUNITY

1. The thresholds for procurements by entities listed under Section 1 of Annex VI.B (central government entities) are:
 - SDR 130 000 for supplies;
 - SDR 130 000 for services specified in Annex VIII; and
 - SDR 5 000 000 for works specified in Annex IX.

2. The thresholds for procurement by entities listed under Section 2 of Annex VI.B are:
 - SDR 400 000 for supplies,
 - SDR 400 000 for services specified in Annex VIII, and
 - SDR 5 000 000 for works specified in Annex IX.

PART C – GENERAL NOTES

1. Mexico shall calculate and convert the value of the thresholds into pesos using the the conversion rate of the Banco de México. Its conversion rate shall be the existing value of the Mexican peso in terms of the US dollar as of 1 December and 1 June of each year, or the first working day thereafter. The conversion rate as of 1 December shall apply from 1 January to 30 June of the following year, and the conversion rate as of 1 June shall apply from 1 July to 31 December of that year.

2. The Community shall calculate and convert the value of the thresholds into euros using the conversion rate of the European Central Bank. Its conversion rate shall be the existing value of the euro in terms of SDRs as of 1 December and 1 June of each year, or the first working day thereafter. The conversion rate as of 1 December shall apply from 1 January to 30 June of the following year, and the conversion rate as of 1 June shall apply from 1 July to 31 December of that year.

3. Mexico and the Community shall notify each other of the value, in their respective currencies, of the newly calculated thresholds no later than one month before the respective thresholds take effect.

GENERAL NOTES
(REFERRED TO IN ARTICLE 25)

PART A
GENERAL NOTES AND DEROGATIONS GOVERNING MEXICO'S OFFER
SET OUT IN ANNEXES VI THROUGH X

Section 1
Transitional provisions

Notwithstanding any other provision of this Title, Annexes VI through X are subject to the following transitional provisions:

Pemex, CFE and Non-Energy Construction

1. Mexico may set aside from the obligations of this Title for each calendar year following the entry into force of this Title the respective percentage specified in paragraph 2 of:
 - (a) the total value of procurement contracts for goods and services and any combination thereof and construction services procured by Pemex in the year that are above the thresholds set out in Annex X;
 - (b) the total value of procurement contracts for goods and services and any combination thereof and construction services procured by CFE in the year that are above the thresholds set out in Annex X; and
 - (c) the total value of procurement contracts for construction services procured in the year that are above the thresholds set out in Annex X, excluding procurement contracts for construction services procured by Pemex and CFE.

2. The percentages referred to in paragraph 1 are as follows:

<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
45%	40%	35%	35%	35%
<u>Year 6</u>	<u>Year 7</u>	<u>Year 8 and thereafter</u>		
30%	30%	0%		

3. The value of procurement contracts that are financed by loans from regional and multilateral financial institutions shall not be included in the calculation of the total value of procurement contracts under paragraphs 1 and 2. Procurement contracts that are financed by such loans shall also not be subject to any restrictions set out in this Title.
4. Mexico shall ensure that the total value of the procurement contracts under any single FSC class (or other classification system agreed by the Parties) that are set aside by Pemex or CFE under paragraphs 1 and 2 for any calendar year does not exceed 15 per cent of the total value of the procurement contracts that may be set aside by Pemex or CFE for that year.
5. Mexico shall ensure that after 31 December of the fourth year following the entry into force of this Title, Pemex and CFE each shall make all reasonable efforts to assure that the total value of procurement contracts under any single FSC class (or other classification system as agreed by the Parties) that are set aside by Pemex or CFE under paragraphs 1 and 2 for any year does not exceed 50 per cent of the total value of all Pemex or CFE procurement contracts under that FSC class (or other classification system as agreed by the Parties) for that year.

Pharmaceuticals

6. Until 1 January of the eighth year following its entry into force, this Title shall not apply to the procurement by the Secretaría de Salud, IMSS, ISSSTE, Secretaría de la Defensa Nacional and the Secretaría de Marina of drugs that are not currently patented in Mexico or whose Mexican patents have expired. Nothing in this paragraph shall prejudice protection of intellectual property rights.

Section 2
Permanent provisions

1. This Title does not apply to procurements made:
 - (a) with a view to commercial resale by government owned retail stores;
 - (b) pursuant to loans from regional or multilateral financial institutions to the extent that different procedures are imposed by such institutions (except for national content requirements);
 - (c) by one entity from another entity of Mexico; or
 - (d) for the purchase of water and for the supply of energy or of fuels for the production of energy.
2. This Title does not apply to public utility services (including telecommunication, transmission, water and energy services).
3. This Title does not apply to any transportation services including: land transportation (CPC 71); water transport (CPC 72); air transport (CPC 73); supporting and auxiliary transport (CPC 74); post and telecommunication (CPC 75); repair services of other transport equipment, on a fee or contractual basis (CPC 8868).
4. This Title does not apply to the procurement of transportation services that form a part of, or are incidental to, a procurement contract.
5. This Title does not apply to financial services; research and development services; and management and operation contracts awarded to federally funded research and development centres or related to carrying out government, sponsored research programs.

6. Notwithstanding any other provision in this Title, Mexico may set aside procurement contracts from the obligations of this Title, subject to the following:
- (a) the total value of the contracts set aside may not exceed the Mexican peso equivalent of:
 - (i) 1,0 billion United States dollars, in each year until 31 December of the seventh year following the entry into force of this Title, which may be allocated by all entities except Pemex and CFE;
 - (ii) 1,8 billion United States dollars, in each year beginning 1 January of the eighth year following the entry into force of this Title, which may be allocated by all entities;
 - (b) no entity subject to subparagraph (a) may set aside contracts in any year of a value of more than 20 per cent of the total value of contracts that may be set aside for that year.
 - (c) the total value of the contracts set aside by Pemex or CFE may not exceed the Mexican peso equivalent of 720 million United States dollars in each calendar year, beginning 1 January of the eighth year following the entry into force of this Title.
7. Beginning one year after the date of entry into force of this Title, the dollar values referred to in paragraph 6 shall be adjusted annually for cumulative inflation from the date of entry into force of this Title, based on the implicit price deflator for the United States Gross Domestic Product (USGDP) or any successor index published by the Council of Economic Advisors in "Economic Indicators".

The dollar values adjusted for cumulative inflation up to January of each year following 2000 shall be equal to the original dollar values multiplied by the ratio of:

- (a) the implicit USGDP price deflator or any successor index published by the Council of Economic Advisors in "Economic Indicators", current as of January of that year, to
- (b) the implicit USGDP price deflator or any successor index published by the Council of Economic Advisors in "Economic Indicators", current as of the date of entry into force of this Title,

provided that the price deflators under subparagraph (a) and (b) have the same base year. The resulting adjusted dollar values shall be rounded to the nearest million dollars.

- 8. The national security exception provided for in Article 13 of the Interim Agreement covers procurements made in support of safeguarding nuclear materials or technology.
- 9. Notwithstanding any other provision of this Title, an entity may impose a local content requirement of no more than:
 - (a) 40 per cent, for labour-intensive turnkey or major integrated projects; or
 - (b) 25 per cent, for capital-intensive turnkey or major integrated projects.

For purposes of this paragraph, a "turnkey or major integrated project" means, in general, a construction, supply or installation project undertaken by a person pursuant to a right granted by an entity with respect to which:

- (a) the prime contractor is vested with the authority to select the general contractors or subcontractors;
 - (b) neither the Government of Mexico nor its entities fund the project;
 - (c) the person bears the risks associated with non-performance; and
 - (d) the facility will be operated by an entity or through a procurement contract of that entity.
10. Notwithstanding the thresholds set out in Annex X, Article 26 applies to any procurement from locally-established suppliers of oil and gas field supplies or equipment by Pemex at any project site where it performs works.
11. In the event that Mexico exceeds in any given year the total value of contracts it may set aside for that year in accordance with paragraph 6 or paragraphs 1, 2 and 4 of Section 1, Mexico shall consult with the Community with a view to agreement on compensation in the form of additional procurement opportunities during the following year. The consultations shall be without prejudice to the rights of any Party under Title VI.
12. Nothing in this Title shall be construed to require Pemex to enter into risk-sharing contracts.

PART B
GENERAL NOTES AND DEROGATIONS GOVERNING THE
COMMUNITY'S OFFER SET OUT IN ANNEXES VI TO X

1. This Title shall not apply to contracts awarded under:
 - (a) an international agreement and intended for the joint implementation or exploitation of a project by the signatory Parties;
 - (b) an international agreement relating to the stationing of troops;
 - (c) the particular procedure of an international organisation; or
 - (d) aid programmes maintained by the Community or its Member States to the benefit of third countries.
2. This Title shall not apply to procurement of agricultural products made in furtherance of agricultural support programmes and human feeding programmes.
3. This Title shall not apply to procurements by entities in Sections 1 and 3 of Annex VI.B in connection with activities in the fields of drinking water, energy, transport or telecommunications.
4. This Title shall not apply to contracts awarded by entities in Section 2 of Annex VI.B:
 - (a) for the purchase of water and for the supply of energy or of fuels for the production of energy;
 - (b) for purposes other than the pursuit of their activities as described in this Annex or for the pursuit of such activities in a non-member country;

- (c) for purposes of re-sale or hire to third parties, provided that the contracting entity enjoys no special or exclusive right to sell or hire the subject of such contracts and other entities are free to sell or hire it under the same conditions as the contracting entity.

- 5. This Title shall not apply to contracts:
 - (a) for the acquisition or rental of land, existing buildings, or other immovable property or concerning rights thereon;
 - (b) for the acquisition, development, production or co-production of programme material by broadcasters and contracts for broadcasting time.

- 6. The provision of services, including construction services, in the context of procurement procedures according to this Title is subject to the conditions and qualifications for market access and national treatment as will be required by Austria in conformity with its commitments under the General Agreement on trade in services of the WTO.

- 7. This Title shall not apply to contracts awarded to an entity in Finland which itself is a contracting authority within the meaning of the Public Procurement Act: "Laki julkisista hankinnoista" (1505/92), or in Sweden within the meaning of the "Lag om offentlig upphandling" (1992:1528), on the basis of an exclusive right which it enjoys pursuant to a law, regulation or administrative provision or to contracts of employment in Finland and Sweden, respectively.

8. When a specific procurement may impair important national policy objectives, the Finnish or Swedish Governments, respectively, may consider it necessary in singular procurement cases to deviate from the principle of national treatment in this Title. A decision to this effect will be taken at Cabinet level. Finland also reserves its position with regard to the application of this Title to the Åland Islands (Ahvenanmaa).
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PROCUREMENT PROCEDURES AND OTHER PROVISIONS
(REFERRED TO IN ARTICLE 29)

PART A – NAFTA PROVISIONS APPLICABLE TO MEXICO

Article 1002 Valuation of Contracts

Article 1007 Technical Specifications

Article 1008 Tendering Procedures

Article 1009 Qualification of Suppliers

Article 1010 Invitation to Participate

Article 1011 Selective Tendering Procedures

Article 1012 Time Limits for Tendering and Delivery

Article 1013 Tender Documentation

Article 1014 Negotiation Disciplines

Article 1015 Submission, Receipt and Opening of Tenders and Awarding of Contracts

Article 1016 Limited Tendering Procedures

PART B – GPA PROVISIONS APPLICABLE TO THE COMMUNITY

Article II Valuation of Contracts

Article VI Technical Specifications

Article VII Tendering Procedures

Article VIII Qualification of Suppliers

Article IX Invitation to Participate Regarding Intended Procurement

Article X Selective Procedures

Article XI Time Limits for Tendering and Delivery General

Article XII Tender Documentation

Article XIII Submission, Receipt and Opening of Tenders and Awarding of Contracts.

Article XIV Negotiation

Article XV Limited Tendering

PUBLICATIONS
(REFERRED TO IN ARTICLE 31)

This Annex contains the publications utilised by Parties for the publication of laws, regulations, judicial decisions, administrative rulings of general application, including invitations to participate and qualification of suppliers and any procedure regarding government procurement covered by this Decision.

MEXICO

Diario Oficial de la Federación

Semanario Judicial de la Federación (sólo para jurisprudencia)

EUROPEAN COMMUNITY

Official Journal of the European Community

Austria

Österreichisches Bundesgesetzblatt Amtsblatt zur Wiener Zeitung

Sammlung von Entscheidungen des Verfassungsgerichtshofes

Sammlung der Entscheidungen des Verwaltungsgerichtshofes – administrativrechtlicher und finanzrechtlicher Teil

Amtliche Sammlung der Entscheidungen des OGH in Zivilsachen

Belgium

Laws, royal regulations, ministerial regulations, ministerial circulars – Le Moniteur Belge

Jurisprudence – Pasicrisie

Denmark

Laws and regulations – Lovtidende

Judicial decisions – Ugeskrift for Retsvaesen

Administrative rulings and procedures – Ministerialtidende

Rulings by the Appeal Board for Public Procurement – Konkurrence raaded Dokumentation

Germany

Legislation and regulations – Bundesanzeiger – Herausgeber: der Bundesminister der Justiz

Judicial Decisions: Entscheidungsammlungen des: Bundesverfassungsgerichts;

Bundesgerichtshofs; Bundesverwaltungsgerichts Bundesfinanzhofs sowie der Oberlandesgerichte

Spain

Legislation – Boletin Oficial des Estado

Judicial rulings – no official publication

France

Legislation – Journal Officiel de la République française

Jurisprudence – Recueil des arrêts du Conseil d’Etat

Revue des marchés publics

Greece

Government Gazette of Greece – epishmh efhmerida eurwpaikwn koinothtw

Ireland

Legislation and regulations – Iris Oifigiuil (Official Gazette of the Irish Government)

Italy

Legislation – Gazzetta Ufficiale

Jurisprudence – no official publication

Luxembourg

Legislation – Memorial

Jurisprudence – Pasicrisie

Netherlands

Legislation – Nederlandse Staatscourant and/or Staatsblad

Jurisprudence – no official publication

Portugal

Legislation – Diário da República Portuguesa 1a Série A e 2a série

Judicial Publications: Boletim do Ministério da Justiça

Colectânea de Acordos do Supremo Tribunal Administrativo;

Colectânea de Jurisprudencia Das Relações

Finland

Suomen Säädoskokoelma – Finlands Författningssamling (The Collection of the Statutes of Finland)

Sweden

Svensk Författningssamling (Swedish Code of Statutes)

United Kingdom

Legislation – HM Stationery Office

Jurisprudence – Law Reports

"Public Bodies" – HM Stationery Office

FORMAT FOR INFORMATION TO BE EXCHANGED
IN ACCORDANCE WITH ARTICLE 38(2)
(REFERRED TO IN ARTICLE 38)

1. The Community shall complete an indicative list of 150 public authorities or public undertakings covered by Annex VI.B.2 and provide the statistical information for those entities in accordance with the format contained in this Annex. The entities contained in this list shall be representative of the coverage offered under that Annex in terms of geographical location and sectorial distribution.
2. After having received this information, Mexico shall provide information on the entities covered in Annex VI.A.2 in the format established in this Annex.

Table 1
Value of contracts above the applicable thresholds awarded
by an illustrative list of entities in the EC (value in €)

Entities	Total goods	Total services	Total works	Total value
(a) Austria entity name..... entity name..... entity name.....				
(b) Belgium entity name..... entity name..... entity name.....				
(c) Denmark entity name..... entity name..... entity name.....				
(d) Germany Entity name..... Entity name..... Entity name.....				
(e) Spain Entity name..... Entity name..... Entity name.....				

(f) France Entity name..... Entity name..... Entity name.....				
(g) Greece Entity name..... Entity name..... Entity name.....				
(h) Ireland Entity name..... Entity name..... Entity name.....				
(i) Italy Entity name..... Entity name..... Entity name.....				
(j) Luxembourg Entity name..... Entity name..... Entity name.....				
(k) Netherlands Entity name..... Entity name..... Entity name.....				
(l) Portugal Entity name..... Entity name..... Entity name.....				
(m) Finland Entity name..... Entity name..... Entity name.....				
(n) Sweden Entity name..... Entity name..... Entity name.....				
(o) UK Entity name..... Entity name..... Entity name.....				
Total				

Table 2

Value of contracts above the applicable thresholds awarded
by the entities listed in Table 1 by country of origin of the supplier (value in €)

		Total	EC Members	GPA Parties	Other countries
Code	Description	€	€	€	€
Code of the good	Entity 1 Description of the good Sub-total				
Code of the service Code of the construction service	Description of the service Description of construction service Sub-total Entity 1				
Code of the good	Entity 2 Description of the good sub-total				
Code of the service	Description of the service				
Code of the construction service	Description of construction service Sub-total entity 2				
Code of the good	Entity 3 Description of the good sub-total				
Code of the service	Description of the service				
Code of the construction service	Description of construction service Sub-total entity 3				
(etc.)	(etc.)				
	TOTAL				

Table 3

Value and number of contracts above the applicable thresholds
by the entities listed in Table 1 by country of origin and by sector (value in €)

		Total		EC Members		GPA Members		Other countries	
Code	Description	#							€
Code of the good	Sector I Description of the good								
	Sub-total								
Code of the service	Description of the service								
	Sub-total								
Code of the construction service	Description of construction service								
	Sub-total								
Code of the good	Sector II Description of the good								
	Sub-total								
Code of the service	Description of the service								
	Sub-total								
Code of the construction service	Description of construction service								
	Sub-total								
(etc.)	(etc.)								
	TOTAL								

Table 4
 Value of contracts above the applicable thresholds awarded
 by the entities in Mexico (value in US dollars)

Entities	Total goods	Total services	Total works	Total value
Total				

Table 5

Value of contracts above the applicable thresholds awarded
by the entities listed in Table 4 by country of origin of the supplier (value in US dollars)

		Total	Mexico	NAFTA Parties	Other countries
Code	Description	\$	\$	\$	\$
Code of the good	Entity 1 Description of the good sub-total				
Code of the service	Description of the service				
Code of the construction service	Description of construction service				
	Sub-total entity 1				
Code of the good	Entity 2 Description of the good sub-total				
Code of the service	Description of the service				
Code of the construction service	Description of construction service				
	Sub-total entity 2				
Code of the good	Entity 3 Description of the good sub-total				
Code of the service	Description of the service				
Code of the construction service	Description of construction service				
	Sub-total entity 3				
(etc.)	(etc.)				
	TOTAL				

Table 6

Value and number of contracts above the applicable thresholds
by the entities listed in Table 4 by country of origin and by sector (value in US dollars)

		Total		Mexico		NAFTA Members		Other countries	
Code	Description	#	\$	#	\$	#	\$	#	\$
Code of the good	Sector I Description of the good Sub-total								
Code of the service	Description of the service								
Code of the construction service	Sub-total Description of construction service								
	Sub-total								
Code of the good	Sector II Description of the good Sub-total								
Code of the service	Description of the service								
Code of the construction service	Sub-total Description of construction service								
	Sub-total								
(etc.)	(etc.)								
	TOTAL								

(REFERRED TO IN ARTICLE 39)

CHAPTER I
GENERAL PROVISIONS

Article 1

Objectives

1. The Parties undertake to apply their respective competition laws so as to avoid that the benefits of this Decision may be diminished or cancelled out by anti-competitive activities.
2. The objectives of this mechanism are:
 - (a) to promote cooperation and coordination between the Parties regarding the application of their competition laws in their respective territories and to provide mutual assistance in any fields of competition they consider necessary;
 - (b) to eliminate anticompetitive activities by applying the appropriate legislation, in order to avoid adverse effects on trade and economic development, as well as the possible negative impact that such activities may have on the other Party's interests; and
 - (c) to promote cooperation in order to clarify any differences in the application of their respective competition laws.

3. The Parties shall give the following aspects particular attention in implementing the present mechanism, with a view to preventing distortions or restrictions on competition which may affect trade conducted between the Community and Mexico:

- (a) for the Community: the agreements between companies, decisions to form an association between companies and concerted practices between companies, the abuse of a dominant position and mergers; and
- (b) for Mexico the absolute or relative monopolistic practices and mergers.

Article 2
Definitions

For the purpose of this Annex:

- (a) "competition laws"; include:
 - (i) for the Community, Articles 81, 82, 85 and 86 of the Treaty establishing the European Community, Council Regulation (EEC) No 4064/89 on the control of concentrations between undertakings, Articles 65 and 66 of the Treaty establishing the European Coal and Steel Community (ECSC), and their implementing Regulations, including High Authority Decision No 24/54;
 - (ii) for Mexico, the Ley Federal de Competencia of December 24, 1992, Reglamento Interior de la Comisión Federal de Competencia of August 28, 1998 and the Reglamento de la Ley Federal de Competencia of March 4, 1998; and
 - (iii) any amendments that the above mentioned legislation may undergo; and
 - (iv) it may also include additional legislation to the extent it may have implications to competition in terms of this mechanism;

- (b) "competition authority" means:
- (i) for the Community, the Commission of the European Communities, and
 - (ii) for Mexico, Comisión Federal de Competencia;
- (c) "enforcement activities" means any application of competition law by way of investigation or proceeding conducted by the competition authorities of a Party, which may result in penalties or remedies;
- (d) "anticompetitive activities" and "conduct and practices which restrict competition" mean any conduct, transaction or act as defined under the competition laws of a Party, which is subject to penalties or remedies.

CHAPTER II

COOPERATION AND COORDINATION

Article 3

Notification

1. Each competition authority shall notify the competition authority of the other Party an enforcement activity if:
 - (a) it is relevant to enforcement activities of the other Party;
 - (b) it may affect the other Party's important interests;

- (c) it relates to restrictions on competition which may affect the territory of the other Party; and
 - (d) decisions may be adopted conditioning or prohibiting action in the territory of the other Party.
2. To the extent possible, and provided that this is not contrary to the Parties' competition laws and does not adversely affect any investigation being carried out, notification shall take place during the initial phase of the procedure, to enable the notified competition authority to express its opinion. The opinions received may be taken into consideration by the other competition authority when taking decisions.
3. The notifications provided for in paragraph 1 shall be detailed enough to permit an evaluation in the light of the interests of the other Party. Notifications shall include inter alia the following information:
- (a) a description of the restrictive effects of the transaction on competition and the applicable legal basis;
 - (b) the relevant market for the product or service and its geographical scope, the characteristics of the economic sector concerned and data on the economic agents involved in the transaction; and
 - (c) the estimated deadlines for resolution, in cases in which the procedure has been initiated, and to the extent possible an indication of its probable out-come, and of the measures which may be taken or provided for.

4. Each competition authority shall notify the competition authority of the other Party as soon as possible of the existence of measures, other than enforcement activities, which could affect that other Party important interests, bearing in mind the provision laid down in paragraph 1. In particular they shall do so in the following cases:
- (a) administrative or judicial proceedings; and
 - (b) measures taken by other governmental agencies, including current or future regulatory bodies, which may have an impact to enhance competition in specific-regulated sectors.

Article 4

Exchange of information

1. With a view to facilitating the effective application of their respective competition laws and promoting a better understanding of their respective legal frameworks, the competition authorities shall exchange the following types of information:
- (a) to the extent practicable, texts on legal theory, case-law or market studies in the public domain, or in the absence of such documents, non-confidential data or summaries;
 - (b) information related to the application of competition legislation provided that it does not adversely affect the person providing such information, and for the sole purpose of helping to resolve the procedure; and
 - (c) information concerning any known anticompetitive activities and any innovations introduced into the respective legal systems in order to improve the application of their respective competition laws.

2. The competition authorities shall help each other to collect other types of information in their respective territories, if circumstances so require.
3. Representatives of each Party's competition authorities shall meet in order to promote knowledge on both sides of their respective competition laws and policies, and to evaluate the results of the cooperation mechanism. They may meet informally, as well as at institutional meetings in a multilateral context, when circumstances allow.

Article 5

Coordination of enforcement activities

1. A competition Authority may notify its willingness to coordinate enforcement activities with respect to a specific case. This coordination shall not prevent the Parties from taking autonomous decisions.
2. In determining the extent of coordination, the Parties shall consider:
 - (a) the effective results which coordination could produce;
 - (b) the additional information to be obtained;
 - (c) the reduction in costs for the competition authorities and the economic agents involved; and
 - (d) the applicable deadlines under their respective legislation.

Article 6

Consultations when important interests of one Party
are adversely affected in the territory of the other Party

1. A competition authority which considers that an investigation or proceeding being conducted by the competition authority of the other Party may affect such Party's important interests should transmit its views on the matter to, or request consultation with, the other competition authority. Without prejudice to the continuation of any action under its competition law and to its full freedom of ultimate decision, the competition authority so addressed should give full and sympathetic consideration to the views expressed by the requesting competition authority, and, in particular, to any suggestions as to alternative means of fulfilling the needs or objectives of the competition investigation or proceeding.
2. The competition authority of a Party, which considers that the interests of that Party are being substantially and adversely affected by anticompetitive practices of whatever origin that are or have been engaged in by one or more enterprises situated in the other Party may request consultation with the other competition authority, recognising that entering into such consultations is without prejudice to any action under its competition law and to the full freedom of ultimate decision of the competition authority concerned. A competition authority so addressed should give full and sympathetic consideration to such views and factual materials as may be provided by the requesting competition authority and, in particular, to the nature of the anticompetitive practices in question, the enterprises involved and the alleged harmful effects on the interests of the requesting competition authority.

Article 7

Avoidance of conflicts

1. Each Party shall, wherever possible, and in accordance with its own legislation, take into consideration the important interests of the other Party in the course of its enforcement activities.

2. If adverse effects for one Party result, even if the above considerations are respected, the competition authorities shall seek a mutually acceptable solution. In this context, the following may be considered:
 - (a) the importance of the measure and the impact which it has on the interests of one Party, by comparing the benefits to be obtained by the other Party;
 - (b) the presence or absence, in the actions of the economic agents concerned, of the intention to affect consumers, suppliers or competitors;
 - (c) the degree of any inconsistencies between the legislation of one Party and the measures to be applied by the other Party;
 - (d) whether the economic agents involved will be subject to incompatible requests by both Parties;
 - (e) the initiation of the procedure or the imposition of penalties or remedies;
 - (f) the location of the assets of the economic agents involved; and
 - (g) the importance of the penalty to be imposed in the territory of the other Party.

Article 8
Confidentiality

The exchange of information shall be subject to the standards of confidentiality applicable in each Party. Confidential information whose dissemination is expressly prohibited or which, if disseminated, could adversely affect the Parties, shall not be provided without the express consent of the source of the information. Each competition authority shall maintain the confidentiality of any information provided to it in confidence by the other competition authority under this mechanism, and oppose any application for disclosure of such information by a third party that is not authorised by the competition authority that supplied the information.

Article 9
Technical Cooperation

1. The Parties shall provide each other technical assistance in order to take advantage of their respective experience and to strengthen the implementation of their competition laws and policies.
2. The cooperation shall include the following activities:
 - (a) training of officials of both Parties' competition authorities, to enable them to gain practical experience; and
 - (b) seminars, in particular for civil servants.
3. The Parties may carry out joint studies of competition or competition laws and policies, with a view to supporting their development.

4. The Parties acknowledge that developments in communication and computer systems are relevant to the activities they wish to develop and that they should be used to promote communication and facilitate access to information on competition policies as far as possible. To this end they shall seek to:
- (a) extend their respective home pages so as to provide information on developments in their activities;
 - (b) promote the dissemination of subjects relating to competition studies through publications such as the Boletín Latinoamericano de Competencia, the Competition Policy Newsletter of the Directorate General for Competition of the European Community, and the annual reports and the Gaceta de Competencia Económica published by the Comisión Federal de Competencia of Mexico; and
 - (c) develop an electronic archive of case-law pertaining to the cases investigated, which would enable the identification of individual cases, the nature of the practice or conduct analysed, its legal framework and the outcomes and dates of resolution.

Article 10

Amendments

The Joint Committee may amend this Annex.

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