

# KOREA-AUSTRALIA

## FREE TRADE AGREEMENT



## Factsheet: Government Procurement

The Korea-Australia Free Trade Agreement (KAFTA) guarantees Australian suppliers access to the Korean procurement market and contains commitments that will ensure transparency and facilitate participation in procurement processes.

Australian and Korean procuring entities have committed not to discriminate against the suppliers, goods and services of the other Party for procurements covered by the Government Procurement Chapter. The Annex to the Chapter sets out the specific entities bound by commitments and other conditions (such as monetary thresholds) that must be met before a procurement will be covered by the Chapter.

Korean procuring entities bound by Chapter commitments include 45 ministries and agencies, 17 statutory authorities and state-owned enterprises and 16 metropolitan cities and provinces. Australia's procuring entities include a broad range of Commonwealth and State and Territory departments, agencies and other entities, consistent with coverage Australia has agreed in previous Free Trade Agreements.

The Chapter includes specific rules, procedures and transparency standards to be applied in the conduct of government procurement, consistent with non-discrimination and with Australia's existing procurement practices. These include:

- minimum standards for public notices;
- requirements to ensure suppliers have sufficient time to respond to tender requests;
- requirements to provide information necessary to permit suppliers to prepare and submit responsive tenders;
- commitments to ensure the protection of intellectual property and confidential information supplied in tender processes;
- limitations on the conditions that can be imposed on tenders; and
- independent review of complaints.

Procuring entities are required to receive and open all tenders under procedures that guarantee the fairness and impartiality of the procurement process.

