

# GENERAL AGREEMENT ON TARIFFS AND TRADE

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Committee on Government Procurement

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## FRENCH "COMPUTER LITERACY PROGRAM"

### Communication from the United States Delegation

The Chairman of the Committee has received the following communication, dated 24 April 1985, from the delegation of the United States, with the request that the matter be placed on the agenda for the meeting of 1 May 1985.

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At the February 1985 meeting of the Committee on Government Procurement, the United States Delegation raised a number of questions with respect to reports that international competition would not be permitted for large purchases of computers and related equipment under the newly announced French "Computer Literacy Program".

Since that meeting, the United States Government has sent two diplomatic notes to the Government of France and U.S. officials have held numerous bilateral discussions with French authorities aimed at obtaining assurances that France would abide by its obligations under the Agreement on Government Procurement. Despite these overtures, French authorities appear to be bent on accomplishing this purchasing program in a manner which the United States views as a violation of the spirit and letter of the Agreement.

Specifically, the French have decided to make these purchases by making highly questionable use of options clauses in old contracts awarded for other purposes for nearly all of the equipment requirements under the Computer Literacy Program, with the small remainder being purchased through unnecessary accelerated procedures.

Unless this matter proves capable of bilateral resolution prior to the May 1, 1985 meeting of the Committee on Government Procurement, it is the intention of the United States to initiate dispute settlement procedures. In this connection, we would request the immediate establishment of a panel pursuant to Article VII:2 of the Agreement to examine French compliance with the Agreement in connection with these computer purchases, and we would ask that such a panel present its findings and recommendations to the Committee prior to the June Committee meeting.

We would seek this accelerated approach because the United States, as well as other Parties to the Agreement, stand to suffer immediate and irreparable harm unless the French abide by the Agreement's provisions. In our view, the integrity of the Agreement is at issue.