

ANNEX XVI

GOVERNMENT PROCUREMENT: THRESHOLDS

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Referred to in Article 56

PART A - MEXICO

1. The thresholds for procurement, by entities listed in Annex XII.A.1 (federal government entities) are:
 - 100,000 dollars of the United States of America (hereinafter United States dollars) for goods or services specified in Annex XIII.A, Annex XIV.A, or any combination thereof, and
 - 6,500,000 United States dollars for construction services specified in Annex XV.A.
2. The thresholds for procurements by entities listed in Annex XII.A.2 (government enterprises) are:
 - 250,000 United States dollars for goods or services specified in Annex XIII.A, Annex XIV.A, or any combination thereof, and
 - 8,000,000 United States dollars for construction services specified in Annex XV.A.
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 Agreement apply the actual NAFTA thresholds instead of those referred to in paragraphs 1 and 2.

PART B – EFTA STATES

a. Iceland

1. The thresholds for procurements by entities listed in Annex XII.B.1.a (central government entities) are:
 - SDR 130,000 for supplies;
 - SDR 130,000 for services specified in Annex XIV.B.a; and
 - SDR 5,000,000 for construction services specified in Annex XV.B.a.

2. The thresholds for procurement by entities listed in Annex XII.B.2.a (government enterprises) are:

- SDR 400,000 for supplies;
- SDR 400,000 for services specified in Annex XIV.B.a; and
- SDR 5,000,000 for construction services specified in Annex XV.B.a.

b. Liechtenstein

1. The thresholds for procurements by entities listed in Annex XII.B.1.b (central government entities) are:

- SDR 130,000 for supplies;
- SDR 130,000 for services specified in Annex XIV.B.b; and
- SDR 5,000,000 for construction services specified in Annex XV.B.b.

2. The thresholds for procurement by entities listed in Annex XII.B.2.b (government enterprises) are:

- SDR 400,000 for supplies;
- SDR 400,000 for services specified in Annex XIV.B.b; and
- SDR 5,000,000 for construction services specified in Annex XV.B.b.

c. Norway

1. The thresholds for procurements by entities listed in Annex XII.B.1.c (central government entities) are:

- SDR 130,000 for supplies;
- SDR 130,000 for services specified in Annex XIV.B.c; and
- SDR 5,000,000 for construction services specified in Annex XV.B.c.

2. The thresholds for procurement by entities listed in Annex XII.B.2.c (government enterprises) are:

- SDR 400,000 for supplies;
- SDR 400,000 for services specified in Annex XIV.B.c; and
- SDR 5,000,000 for construction services specified in Annex XV.B.c.

d. Switzerland

1. The thresholds for procurements by entities listed in Annex XII.B.1.d (central government entities) are:

- SDR 130,000 for supplies;
- SDR 130,000 for services specified in Annex XIV.B.d; and
- SDR 5,000,000 for construction services specified in Annex XV.B.d.

2. The thresholds for procurement by entities listed in Annex XII.B.2.d (government enterprises) are:

- SDR 400,000 for supplies;
- SDR 400,000 for services specified in Annex XIV.B.d; and
- SDR 5,000,000 for construction services specified in Annex XV.B.d.

PART C – GENERAL NOTES

1. Mexico shall calculate and convert the value of its thresholds into pesos using 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 EFTA States shall calculate and convert the value of the thresholds into their own national currencies using the conversion rates of their respective National Banks. The conversion rates will be the average of the daily values of the respective national currency in terms of the SDR over the two-year period preceding 1 October or 1 November of the year prior to the thresholds becoming effective. The conversion rate shall apply from 1 January of the following year.

3. Mexico and the EFTA States 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.
