

When the Agreement is implemented, the procurement obligations of the Code will be extended to cover procurements over an administrative threshold of US \$25,000 in each country. These procurements will be open to suppliers of Canadian and/or U.S. products on a non-discriminatory basis. The value of procurement opportunities to be opened by this agreement is estimated at approximately three billion U.S. dollars of U.S. procurement and about one-half billion (U.S.) dollars of Canadian procurements.

The Parties have agreed that, not later than one year after the renegotiation of the Code, the Parties shall undertake further negotiations to improve and expand the Chapter.

Standards

The Parties have agreed on a text which would enhance our mutual rights and obligations under the GATT and the Standards Code.

At the federal level, neither Party will use standards as a barrier to trade. Standards and regulations are allowed where their demonstrable purpose is to protect health and safety, environmental, national security and consumer interests. However, these measures must not operate to exclude goods of the other Party that meet these objectives.

The Parties also agree to harmonize federal standards-related measures to the greatest extent possible, and to promote harmonization of private standards.

We will set up a process at the federal level for mutual recognition of systems for accrediting testing labs, and to provide for accreditation of testing facilities and of certification bodies.

We provide for enhanced transparency in regulatory process with additional information exchange and a guaranteed 60day comment period on proposed regulations. Similar provisions will apply for state, provincial and private standards activities, but only at a "best efforts" level.