

EXEMPT
Sec. 15(i)

C. BACKGROUND

Toward the conclusion of the Kennedy Round in the late 1960s, U.S. engineer/procure/construct firms brought to the attention of the U.S. Government the potential that their services industry presented for generating follow-on sales of goods to foreign countries in which they were undertaking projects. With the growth of trade promotion by the U.S. in this area, both the Government and industry became more aware of barriers or impediments to doing international business. The U.S. made some minor effort during the Tokyo Round in the late 1970's to address these problems in discussions on government procurement, technical barriers and other negotiations. The result was that services ancillary to and of less value than goods are covered by the Government Procurement Code and the "re-opener" clause of the Code specifically mentions