
The coverage of the GATT Code is determined primarily by the departments and agencies, called entities, that each country has identified as subject to the code and the dollar value threshold above which purchases are covered. The Canadian and U.S. entities covered by the GATT Code and the Canada-U.S. Free Trade Agreement are listed in Appendix C. Certain important segments of government purchasing activities are not covered, such as service contracts and purchases related to national security. As well, for U.S. government purchasing, procurements covered by the U.S. small business set-aside program are not covered. About CDN \$500 million of Canadian purchases and US \$18 billion worth of U.S. purchases are covered by the GATT Code.

Negotiations to improve and expand the scope of the coverage of the GATT Code took place between 1983 and 1986, resulting in changes to the code effective February 14, 1988. The currency value above which each country would open its code-covered contracts for competition has been lowered from 150,000 to 130,000 Special Drawing Rights (the unit of account of the International Monetary Fund), converted by each country into its currency. Thus, the new, lowered threshold will be reduced from CDN \$238,000 in 1987 to CDN \$213,000 (US \$156,000) during 1988 and 1989. Procedures in the GATT Code regarding transparency have also been improved.