Annex 17

Annex 17.1

Central Level Entities

Schedule of Canada

Thresholds:  
- CAD$76,600 – **Goods** covered in Annex 17.3  
- CAD$76,600 – **Services** covered in Annex 17.4  
- CAD$8,500,000 – **Construction Services** covered in Annex 17.5

List of Entities:

1. Atlantic Canada Opportunities Agency (on its own account)  
2. Canada Border Services Agency  
3. Canada Employment Insurance Commission  
4. Canada Industrial Relations Board  
5. Canada Revenue Agency  
6. Canada School of Public Service  
7. Canadian Centre for Occupational Health and Safety  
8. Canadian Food Inspection Agency  
9. Canadian Human Rights Commission  
10. Canadian Institutes of Health Research  
11. Canadian Intergovernmental Conference Secretariat  
12. Canadian International Trade Tribunal  
13. Canadian Nuclear Safety Commission  
14. Canadian Radio-television and Telecommunications Commission (on its own account)
15. Canadian Transportation Accident Investigation and Safety Board
16. Canadian Transportation Agency (on its own account)
17. Copyright Board
18. Correctional Service of Canada
19. Courts Administration Service
20. Department of Aboriginal Affairs and Northern Development
21. Department of Agriculture and Agri-Food
22. Department of Canadian Heritage
23. Department of Citizenship and Immigration
24. Department of Finance
25. Department of Fisheries and Oceans
26. Department of Foreign Affairs, Trade and Development
27. Department of Health
28. Department of Human Resources and Skills Development
29. Department of Industry
30. Department of Justice
31. Department of National Defence
32. Department of Natural Resources
33. Department of Public Safety and Emergency Preparedness
34. Department of Public Works and Government Services (on its own account)
35. Department of the Environment
36. Department of Transport
37. Department of Veterans Affairs
38. Department of Western Economic Diversification (on its own account)
39. Director of Soldier Settlement
40. Director, The Veterans’ Land Act
41. Economic Development Agency of Canada for the Regions of Quebec
42. Hazardous Materials Information Review Commission
43. Immigration and Refugee Board
44. Library and Archives of Canada
45. Municipal Development and Loan Board
46. National Battlefields Commission
47. National Energy Board
48. National Farm Products Council
49. National Parole Board
50. National Research Council of Canada
51. Natural Sciences and Engineering Research Council of Canada
52. Northern Pipeline Agency (on its own account)
53. Office of Infrastructure Canada
54. Office of the Auditor General
55. Office of the Chief Electoral Officer
56. Office of the Commissioner for Federal Judicial Affairs
57. Office of the Commissioner of Official Languages
58. Office of the Coordinator, Status of Women
59. Office of the Governor General’s Secretary
60. Office of the Superintendent of Financial Institutions
61. Offices of the Information and Privacy Commissioners of Canada
62. Parks Canada Agency
63. Patented Medicine Prices Review Board
64. Privy Council Office
65. Public Health Agency of Canada
66. Public Service Commission
67. Public Service Labour Relations Board
68. Registrar of the Supreme Court of Canada
69. Registry of the Competition Tribunal
70. Royal Canadian Mounted Police
71. Royal Canadian Mounted Police External Review Committee
72. Royal Canadian Mounted Police Public Complaints Commission
73. Shared Services Canada
74. Social Sciences and Humanities Research Council
75. Statistics Canada
76. Statute Revision Commission
77. Transportation Appeal Tribunal of Canada
78. Treasury Board Secretariat
Schedule of Honduras

Thresholds:  
- **Goods** covered in Annex 17.3  
- **Services** covered in Annex 17.4  
- **Construction Services** covered in Annex 17.5

List of Entities:

1. **Secretaría de Estado en los Despachos del Interior y Población** (Secretary of State of Interior and Population)
2. **Secretaría de Estado en el Despacho de Educación** (Note 1) (Secretary of State of Education)
3. **Secretaría de Estado en el Despacho de Salud** (Secretary of State of Health)
4. **Secretaría de Estado en el Despacho de Seguridad** (Note 2) (Secretary of State of Security)
5. **Secretaría de Estado en el Despacho Presidencial** (Note 1) (Secretary of State of Presidential Affairs)
6. **Secretaría de Estado en el Despacho de Relaciones Exteriores** (Secretary of State of Foreign Affairs)
7. **Secretaría de Estado en el Despacho de Defensa Nacional** (Note 3) (Secretary of State of National Defence)
8. **Secretaría de Estado en el Despacho de Finanzas** (Secretary of State of Finance)
9. **Secretaría de Estado en los Despachos de Industria y Comercio** (Secretary of State of Industry and Commerce)
10. **Secretaría de Estado en los Despachos de Obras Públicas, Transporte y Vivienda** (Secretary of State of Public Works, Transport and Housing)
11. **Secretaría de Estado en los Despachos de Trabajo y Seguridad Social** (Secretary of State of Labour and Social Security)
12. **Secretaría de Estado en los Despachos de Agricultura y Ganadería** (Secretary of State of Agriculture and Livestock Farming)
13. **Secretaría de Estado en los Despachos de Recursos Naturales y Ambiente** (Secretary of State of Natural Resources and Atmosphere)
14. Secretaría de Estado en los Despachos de Cultura, Artes y Deportes (Secretary of State of Culture, Arts and Sports)

15. Secretaría de Estado en el Despacho de Turismo (Secretary of State of Tourism)

16. Secretaría Técnica de Planificación y Cooperación Externa (Secretary of Planning and External Cooperation)

**Note 1 to Schedule of Honduras**

Secretary of State of Education and Secretary of State of Presidential Affairs (Secretaría de Estado en el Despacho de Educación y Secretaría de Estado en el Despacho Presidencial): Chapter Seventeen does not cover a procurement made in furtherance of a school feeding program.

**Note 2 to Schedule of Honduras**

Secretary of State of Security (Secretaría de Estado en el Despacho de Seguridad): Chapter Seventeen does not cover procurement of uniforms, shoes, food, or tobacco for the National Police (Policía Nacional).

**Note 3 to Schedule of Honduras**

Secretary of State of National Defence (Secretaría de Estado en el Despacho de Defensa Nacional): Chapter Seventeen does not cover the procurement of a good classified under Section 2 (food products, beverages, and tobacco; textiles, apparel, and leather products) of the United Nations Central Product Classification 1.0 (CPC version 1.0) for the Armed Forces of Honduras (Fuerzas Armadas de Honduras). Chapter Seventeen does not cover the procurement of uniforms of the Armed Forces of Honduras (Fuerzas Armadas de Honduras) and the National Police (Policía Nacional) or the procurement of the following goods:

- (a) Ammunition
- (b) Military Airplanes
(c) Military rifles
(d) Pistols and guns, 41 caliber or more
(e) Honduran army regulation pistols
(f) Silencers for any type of firearm
(g) Firearms
(h) Accessories and ammunition
(i) Cartridges for firearms
(j) Equipment and other accessories essential for cartridge loading
(k) Gunpowder, explosives, primers and fuses
(l) Masks for protection against asphyxiating gases
(m) Air guns
Annex 17.2

Other Covered Entities

Schedule of Canada

Thresholds:
- CAD$383,300 – Goods covered in Annex 17.3
- CAD$383,300 – Services covered in Annex 17.4
- CAD$12,200,000 – Construction Services covered in Annex 17.5

List of Entities:

1. Canada Post Corporation
2. Canadian Museum of Civilization
3. Canadian Museum of Nature
4. Canadian Tourism Commission
5. Defence Construction (1951) Ltd.
6. National Capital Commission
7. National Gallery of Canada
8. Canada Science and Technology Museum
9. Royal Canadian Mint (Notes 2 and 3)
10. Via Rail Canada Inc. (Note 2)

Notes to Schedule of Canada

1. For greater certainty, Article 17.14 applies to a procurement by Via Rail Canada Inc. or the Royal Canadian Mint regarding the protection of the confidentiality of commercial information provided.

2. Chapter Seventeen does not cover procurement, by or on behalf of the Royal Canadian Mint, of direct inputs for use in minting anything other than Canadian legal tender.
### Schedule of Honduras

**Thresholds:**
- US$350,396 – **Goods** covered in Annex 17.3
- US$350,396 – **Services** covered in Annex 17.4
- US$11,213,223 – **Construction Services** covered in Annex 17.5

**List of Entities:**

1. **Instituto Nacional de Conservación y Desarrollo Forestal, Áreas Protegidas y Vida Silvestre** (ICF) (National Institute of Conservation and Forest Development, Protected Areas and Wild Life)
2. **Instituto Hondureño de Mercadeo Agrícola** (IHMA) (Honduran Institute of Agricultural Trade)
3. **Instituto Hondureño para la Prevención del Alcoholismo, Drogadicción y Farmacodependencia** (IHADFA) (Honduran Institute for the Prevention of Alcoholism, Drug Addiction and Medicine Dependency)
4. **Instituto Hondureño de Turismo** (IHT) (Honduran Institute of Tourism)
5. **Instituto Nacional de Jubilaciones y Pensiones de los Funcionarios y Empleados del Poder Ejecutivo** (INJUPEMP) (National Institute of Retirement and Pensions of the Civil Servants and Employees of the Executive Branch)
6. **Comisión Nacional Pro-Instalaciones Deportivas y Mejoramiento del Deporte** (CONAPIID) (National Commission of Sport Facilities and Sports Improvement)
7. **Comité Permanente de Contingencias** (COPECO) (Standing Committee on Contingencies)
8. **Instituto Nacional Agrario** (INA) (Institute of Agriculture)
9. **Empresa Nacional Portuaria** (ENP) (Harbour National Company)
10. **Banco Central de Honduras** (BCH) (Note 1) (Central Bank of Honduras)

**Note to Schedule of Honduras**

1. Central Bank of Honduras (**Banco Central de Honduras**) (BCH):

Chapter Seventeen does not cover the issuance or the circulation of currency.
Annex 17.3

Goods

Schedule of Canada

1. Subject to paragraph 2 all goods are covered by Chapter Seventeen.

2. Subject to paragraph 1 of Article 17.3, for procurement by the Department of National Defence, the Royal Canadian Mounted Police, or the Department of Fisheries and Oceans for the Canadian Coast Guard, Chapter Seventeen covers only the goods listed below:

(Numbers refer to the Federal Supply Classification document dated May 2005.)

22. Railway Equipment
23. Ground Effect Vehicles, Motor Vehicles, Trailers and Cycles (except buses in 2310; except military trucks and trailers in 2320 and 2330 and tracked combat, assault and tactical vehicles in 2350; and, except wheeled combat, assault and tactical vehicles in 2355 formerly classified in 2320)
24. Tractors
25. Vehicular Equipment Components
26. Tires and Tubes
29. Engine Accessories
30. Mechanical Power Transmission Equipment
32. Woodworking Machinery and Equipment
34. Metal Working Machinery
35. Service and Trade Equipment
36. Special Industry Machinery
37. Agricultural Machinery and Equipment
38. Construction, Mining, Excavating and Highway Maintenance Equipment
39. Materials Handling Equipment
<table>
<thead>
<tr>
<th>Appendix</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>40.</td>
<td>Rope, Cable, Chain and Fittings</td>
</tr>
<tr>
<td>41.</td>
<td>Refrigeration, Air Conditioning, and Air Circulating Equipment</td>
</tr>
<tr>
<td>42.</td>
<td>Fire Fighting, Rescue and Safety Equipment (except 4220: Marine Lifesaving and Diving Equipment; and 4230: Decontaminating and Impregnating Equipment)</td>
</tr>
<tr>
<td>43.</td>
<td>Pumps and Compressors</td>
</tr>
<tr>
<td>44.</td>
<td>Refrigeration, Air Conditioning, and Air Circulating Equipment</td>
</tr>
<tr>
<td>45.</td>
<td>Fire Fighting, Rescue and Safety Equipment (except 4220: Marine Lifesaving and Diving Equipment; and 4230: Decontaminating and Impregnating Equipment)</td>
</tr>
<tr>
<td>46.</td>
<td>Plumbing, Heating and Waste Disposal Equipment</td>
</tr>
<tr>
<td>47.</td>
<td>Water Purification and Sewage Treatment Equipment</td>
</tr>
<tr>
<td>48.</td>
<td>Pipe, Tubing, Hose and Fittings</td>
</tr>
<tr>
<td>49.</td>
<td>Maintenance and Repair Shop Equipment</td>
</tr>
<tr>
<td>50.</td>
<td>Water Purification and Sewage Treatment Equipment</td>
</tr>
<tr>
<td>51.</td>
<td>Valve</td>
</tr>
<tr>
<td>52.</td>
<td>Measuring Tools</td>
</tr>
<tr>
<td>53.</td>
<td>Hardware and Abrasives</td>
</tr>
<tr>
<td>54.</td>
<td>Prefabricated Structures and Scaffolding</td>
</tr>
<tr>
<td>55.</td>
<td>Lumber, Millwork, Plywood and Veneer</td>
</tr>
<tr>
<td>56.</td>
<td>Construction and Building Materials</td>
</tr>
<tr>
<td>57.</td>
<td>Electrical Wire and Power and Distribution Equipment</td>
</tr>
<tr>
<td>58.</td>
<td>Lighting Fixtures and Lamps</td>
</tr>
<tr>
<td>59.</td>
<td>Alarm, Signal and Security Detection Systems</td>
</tr>
<tr>
<td>60.</td>
<td>Medical, Dental and Veterinary Equipment and Supplies</td>
</tr>
<tr>
<td>61.</td>
<td>Instruments and Laboratory Equipment (except 6615: Automatic Pilot Mechanisms and Airborne Gyro Components; and 6665: Hazard-Detecting Instruments and Apparatus)</td>
</tr>
<tr>
<td>62.</td>
<td>Instruments and Laboratory Equipment (except 6615: Automatic Pilot Mechanisms and Airborne Gyro Components; and 6665: Hazard-Detecting Instruments and Apparatus)</td>
</tr>
<tr>
<td>63.</td>
<td>Medical, Dental and Veterinary Equipment and Supplies</td>
</tr>
<tr>
<td>64.</td>
<td>Instruments and Laboratory Equipment (except 6615: Automatic Pilot Mechanisms and Airborne Gyro Components; and 6665: Hazard-Detecting Instruments and Apparatus)</td>
</tr>
<tr>
<td>65.</td>
<td>Photographic Equipment</td>
</tr>
<tr>
<td>66.</td>
<td>Chemicals and Chemical Products</td>
</tr>
<tr>
<td>67.</td>
<td>Training Aids and Devices</td>
</tr>
<tr>
<td>68.</td>
<td>General Purpose Automatic Data Processing Equipment (including Firmware), Software, Supplies and Support Equipment (except 7010: Automatic Data Processing Equipment (ADPE) configuration)</td>
</tr>
<tr>
<td>69.</td>
<td>General Purpose Automatic Data Processing Equipment (including Firmware), Software, Supplies and Support Equipment (except 7010: Automatic Data Processing Equipment (ADPE) configuration)</td>
</tr>
<tr>
<td>70.</td>
<td>General Purpose Automatic Data Processing Equipment (including Firmware), Software, Supplies and Support Equipment (except 7010: Automatic Data Processing Equipment (ADPE) configuration)</td>
</tr>
<tr>
<td>71.</td>
<td>Furniture</td>
</tr>
</tbody>
</table>
72. Household and Commercial Furnishings and Appliances
73. Food Preparation and Serving Equipment
74. Office Machines, Text Processing System and Visible Record Equipment
75. Office Supplies and Devices
76. Books, Maps and Other Publications (except 7650: drawings and specifications)
77. Musical Instruments, Phonographs and Home-Type Radios
78. Recreational and Athletic Equipment
79. Cleaning Equipment and Supplies
80. Brushes, Paints, Sealers and Adhesives
81. Containers, Packaging and Packing Supplies
85. Toiletries
87. Agricultural Supplies
88. Live Animals
91. Fuels, Lubricants, Oils and Waxes
93. Nonmetallic Fabricated Materials
94. Nonmetallic Crude Materials
96. Ores, Minerals and Their Primary Products
99. Miscellaneous

Schedule of Honduras

Chapter Seventeen applies to all goods procured by the entities listed in Annex 17.1 and Annex 17.2, subject to the Notes to the respective Schedules and the General Notes.
Annex 17.4

Services

Schedule of Canada

Section A – General Provisions

1. Subject to paragraph 3 and Section B of this Annex, all services that are procured by the entities in Annex 17.1 and Annex 17.2 are covered by Chapter Seventeen.

2. Services are identified in accordance with the Common Classification System.

3. Annex 17.5 applies to the procurement of construction services.

Section B – Excluded Coverage

Part I – Service Exclusions by Major Service Category

A. Research and Development

   All classes

B. Studies and Analysis - not R&D

   B002 Animal and Fisheries Studies
   B003 Grazing and Range Studies
   B400 Aeronautic/Space Studies
   B503 Medical and Health Studies
   B507 Legal Studies (except advisory services on foreign law)

C. Architecture and Engineering Services

   C112 Airfield, Communication and Missile Facilities
   C216 Marine Architect and Engineering Services
D. Information Processing and Related Telecommunications Services

D304 ADP Telecommunications and Transmission Services (except those classified as “enhanced or value-added services.”) Enhanced or value-added services means those telecommunications services employing computer processing applications that:

(a) act on the format, content, code, protocol, or similar aspects of a customer’s transmitted information;

(b) provide a customer with additional, different or restructured information; or

(c) involve customer interaction with stored information.

For the purposes of this provision, the procurement of “ADP Telecommunications and Transmission services” does not include the ownership or furnishing of facilities for the transmission of voice or data services. This provision only extends to providers of enhanced or value-added services whose underlying telecommunications transmission facilities are leased from providers of public telecommunications transport networks.

D305 ADP Teleprocessing and Timesharing Services

D309 Information and Data Broadcasting or Data Distribution Services (except enhanced/value-added facsimile services, including store and forward, and store and retrieve; code and protocol conversion)

D316 Telecommunications Network Management Services (except enhanced/value-added electronic data interchange (EDI) services)
D317 Automated News Services, Data Services, or Other Information Services. Buying data (the electronic equivalent of books, periodicals, newspapers, etc.) (except enhanced/value-added electronic mail services; telecommunications – voice messaging; information retrieval services, database and automated news services)

D399 Other ADP and Telecommunications Services (except enhanced/value-added CD-ROM services and micrographic services)

F. Natural Resources and Conservation Services

F004 Land Treatment Practices Services (plowing/clearing, etc).
F005 Range Seeding Services (ground equipment)
F006 Crop Services (including Seed Collection and Production Services)
F011 Pesticides/Insecticides Support Services (except forestry and logging)
F021 Veterinary/Animal Care Services (including Livestock Services)
F029 Other Animal Care/Control Services
F030 Fisheries Resources Management Services
F031 Fish Hatchery Services
F050 Recreation Site Maintenance Services (non-construction)
F059 Other Natural Resource and Conservation Services

G. Health and Social Services

All classes
H. Quality Control, Testing and Inspection and Technical Representative Services

Services for the departments and functions listed in Note 1(e) to Canada’s schedule to Annex 17.6 regarding FSC 36 (Special Industry Machinery), FSC 70 (Automatic Data Processing Equipment, software supplies and support equipment) and FSC 74 (Office machines, text processing systems and visible record equipment)

FSC 58 (Communications, Detection, and Coherent Radiation Equipment)

Services with reference to transportation equipment

J. Maintenance, Repair, Modification, Rebuilding and Installation of Equipment

Services for the departments and functions listed in Note 1(e) to Canada’s schedule to Annex 17.6 regarding FSC 36 (Special Industry Machinery), FSC 70 (Automatic Data Processing Equipment, software supplies and support equipment) and FSC 74 (Office machines, text processing systems and visible record equipment)

FSC 58 (Communications, Detection, and Coherent Radiation Equipment)

Services with reference to transportation equipment

J019 Maintenance, Repair, Modification, Rebuilding and Installation of Equipment related to Ships

J998 Non-nuclear Ship Repair

K. Custodial Operations and Related Services

K0 Personal Care Services
K105 Guard Services
K109 Surveillance Services
K115 Preparation and Disposal of Excess and Surplus Property

L. Financial and Related Services
All classes

M. Operation of Government Owned Facilities
All facilities operated by:
The Department of Defence
The Department of Transport
The Department of Natural Resources
and for all Departments: M180 and M140

R. Professional, Administrative and Management Support Services
R003 Legal Services (except advisory services on foreign law)
R004 Certifications and accreditations for products and institutions other than Educational Institutions
R007 Systems Engineering Services (with reference to transportation systems)
R012 Patent and Trade Mark Services
R101 Expert Witness
R102 Weather Reporting/Observation Services
R104 Transcription Services
R106 Post Office Services
R109 Translation and Interpreting Services (including Sign Language)
R114 Logistics Support Services (with respect to transportation and defence)
R116 Court Reporting Services
R117 Paper Shredding Services
R201 Civilian Personnel Recruitment (including Services of Employment Agencies)
S. Utilities
All classes

T. Communications, Photographic, Mapping, Printing and Publications Services
All classes

U. Education and Training Services
U010 Certifications and accreditations for Educational Institutions

V. Transportation, Travel and Relocation Services
All classes (except V503 Travel Agent Services, but including Tour Guides)

W. Lease or Rental of Equipment
Services for the departments and functions listed in Note 1(e) to Canada’s schedule to Annex 17.6 regarding FSC 36 (Special Industry Machinery), FSC 70 (Automatic Data Processing Equipment (including Firmware), Software Supplies and Support Equipment) and FSC 74 (Office machines, Text Processing Systems and Visible Record Equipment)

FSC 58 (Communications, Detection, and Coherent Radiation Equipment)

Services with reference to transportation equipment
Part II

The following services contracts are excluded by entities listed in Annex 17.2:

D. Information Processing and Related Telecommunications Services
   D309 Information and Data Broadcasting or Data Distribution Services
   D316 Telecommunications Network Management Services
   D317 Automated News Service, Data Services, or Other Information Services.
       Buying data (the electronic equivalent of books, periodicals, newspapers, etc.)
   D399 Other ADP and Telecommunications Services (including data storage on tapes, Compact Disk (CD), etc.)

F. Natural Resources and Conservation Services
   F007 Seedling Production/Transplanting Services
   F010 Other Range/Forest Improvements Services (non-construction)

R. Professional, Administrative and Management Support Services
   R113 Data Collection Services

Notes to Schedule of Canada

1. A service relating to a good not listed in Annex 17.3 purchased by the Department of
   National Defence, the Royal Canadian Mounted Police, or the Department of Fisheries and
   Oceans for the Canadian Coast Guard is not covered by Chapter Seventeen.

2. The procurement of a service in support of military forces located overseas is not
   covered by Chapter Seventeen.
Schedule of Honduras

1. A service procured by the entities listed in Annex 17.1 and Annex 17.2, subject to the Notes to the respective Schedules and the General Notes, is covered by Chapter Seventeen, except for a service excluded in the Schedules of a Party.

2. A service covered by this Section is subject to the existing measures listed in a Party’s Schedule to Annex II.

3. The following services, as classified in CPC version 1.0 are not covered by Chapter Seventeen:

   CPC 64     Land transport services
   CPC 66     Air transport services
   CPC 69     Electricity distribution services; gas and water distribution services through mains
Annex 17.5

Construction Services

Schedule of Canada

Section A – General Provisions

A construction service set out in the Common Classification System is covered by Chapter Seventeen, except for construction services listed in Section B of this Annex.

Section B – Excluded Coverage

1. Dredging services

2. Construction services procured by or on behalf of the Department of Transport

3. Construction services of CPC 5115 mining of oil and gas which are classified under CCS F042.

Schedule of Honduras

1. A construction service procured by the entities listed in Annex 17.1 and Annex 17.2 is covered by Chapter Seventeen, subject to the Notes to the respective Schedules and the General Notes.

2. A construction service covered by this Schedule is subject to the existing measures listed in a Party’s Schedule to Annex II.
Annex 17.6

General Notes

Schedule of Canada

1. Chapter Seventeen does not apply to a procurement in respect of:

   (a) shipbuilding and repair;

   (b) urban rail and urban transportation equipment, systems, components and materials incorporated therein as well as all project related materials of iron or steel;

   (c) FSC 58 (communications, detection and coherent radiation equipment);

   (d) set-asides for small and minority businesses;

   (e) (i) the Department of Transport,

   (ii) the Department of Fisheries and Oceans,

   (iii) the Canadian Food Inspection Agency in respect of administration and enforcement of the Fish Inspection Act,

   (iv) the Department of Canadian Heritage in respect of those functions that were formerly the responsibility of the Department of Communications,
(v) the Department of Industry in respect of telecommunications, except in relation to (a) the planning and coordination of telecommunication services for departments, boards and agencies of the Government of Canada, and (b) broadcasting, other than in relation to spectrum management and the technical aspects of broadcasting, and

(vi) the Department of Public Works and Government Services in respect of Shared Services Canada, respecting Federal Supply Classification (FSC) 70 (automatic data processing equipment, software supplies and support equipment), FSC 74 (office machines, text processing systems and visible record equipment) and FSC 36 (special industry machinery); and

(f) agricultural products made in furtherance of agricultural support programs or human feeding programs.

2. Chapter Seventeen does not apply to the procurement of a transportation service that is a part of, or is incidental to, a procurement.

3. Pursuant to Article 17.3, the national security exception applies to a procurement:

(a) of oil related to a strategic reserve requirement; or

(b) in support of safeguarding nuclear materials or technology.

4. The procurement process is the process that begins after a procuring entity has decided on its requirement and continues until the contract is awarded.

5. Chapter Seventeen does not apply to procurement by a Canadian entity or state enterprise from another Canadian entity or state enterprise.
Schedule of Honduras

Chapter Seventeen does not apply to procurement by one Honduran entity of a good or service obtained or acquired from another Honduran entity.
Annex 17.7

Threshold Adjustment Formulas

1. Thresholds shall be adjusted at 2 year intervals with each adjustment taking effect on January 1, beginning the second year after the entry into force of this Agreement.

2. For Canada, the thresholds for:

   (a) goods and services procured by entities listed in Annexes 17.1 and 17.2 and construction services procured by entities listed in Annex 17.2, shall be adjusted in accordance with Annex 1001.1c of the North American Free Trade Agreement between the Government of Canada, the Government of the United Mexican States and the Government of the United States of America, done at Mexico, Ottawa and Washington on 17 December 1992 (“NAFTA”), converted into Canada’s national currency in accordance with that Annex;

   (b) construction services procured by entities listed in Annex 17.1 shall be adjusted in accordance with Annex 3 of the Decisions on Procedural Matters under the Agreement on Government Procurement (1994) by the WTO Committee on Government Procurement, GPA/1.

3. For Honduras, the thresholds:

   (a) referred to in Annex 17.1 shall be the adjusted thresholds of the thresholds listed in Annex 9.1.2(b)(i), Section A of the Dominican Republic-Central America-United States Free Trade Agreement, done at Washington on 5 August 2004 (DR-CAFTA);

   (b) referred to in Annex 17.2 shall be the adjusted thresholds of the thresholds listed in Article 1001.1c(ii) of the NAFTA. Canada shall notify Honduras in writing of the adjusted NAFTA threshold values in U.S. dollars in December of the year before the adjusted thresholds take effect.
4. Canada shall notify Honduras in writing of Canada’s adjusted thresholds in its domestic currency by January 15 of the year in which the adjusted threshold takes effect.

5. If, during any year, a major change in the applicable currency of either Party creates a significant problem with regard to the application of Chapter Seventeen, the Parties shall discuss to determine whether an interim adjustment is appropriate.

6. The Parties shall agree on a suitable alternate threshold adjustment formula if:

   (a) Canada withdraws from the WTO Agreement on Government Procurement, done at Marrakesh on 15 April 1994, pursuant to Article XXIV of that Agreement, or the NAFTA pursuant to Article 2205 of that Agreement;

   (b) Honduras withdraws from the DR-CAFTA pursuant to Article 22.7 of that Agreement;

   (c) the WTO Agreement on Government Procurement, the NAFTA, or DR-CAFTA are terminated; or

   (d) a threshold adjustment formula referenced in paragraphs 2 and 3 is altered.