

## **Annex 5**

### *General Notes*

1. Canada's offer does not apply to procurements 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) contracts respecting 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 the 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 the Government Telecommunications Agency

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. Canada's offer does not apply to the procurement of transportation services that form a part of, or are incidental to, a procurement contract.

3. Pursuant to Article [Exceptions], national security exceptions include oil purchases related to any strategic reserve requirements.

4. National security exceptions include procurements made in support of safeguarding nuclear materials or technology.

5. Procurement in terms of Canadian coverage is defined as contractual transactions to acquire property or services for the direct benefit or use of the government. The procurement process is the process that begins after an entity has decided on its requirement and continues through to and including contract award. It does not include non-contractual agreements or any form of government assistance, including but not limited to, cooperative agreements, grants, loans, equity infusions, guarantees, fiscal incentives, and government provision of goods and services, given to individuals, firms private institutions, and sub-central governments. It does not include procurements made with a view to commercial resale or made by one entity or enterprise from another entity or enterprise of Canada.

6. Where a contract to be awarded by an entity is not covered by this Agreement, this Agreement shall not be construed to cover any good or services component of that contract.