

Project Launch Meeting
Government Procurement
An emerging tool of global integration and good governance in India
Wednesday, 31 August, 2011
Seminar Hall No. 3, India International Centre, New Delhi

Objective

To discuss the ways and means to achieve a more efficient government procurement system in India with greater transparency, efficiency and good governance for both domestic as well as foreign enterprises, and also to discuss the methodology of doing research and advocacy activities under the project

Background

Since the establishment of the World Trade Organisation in 1995 (India as a founding member) there is considerable pressure on India to accede to the WTO Plurilateral Agreement on Government Procurement. Following the launch of the Doha Development Round of negotiations by the WTO Members in 2001, there is a momentum to this pressure though the Doha Agenda on government procurement was limited to transparency in government procurement (while the WTO Plurilateral Agreement on Government Procurement covers transparency as well as market access).

While, on the one hand, there is a clear demand on the part of India's major trading partners as its market for government procurement (only at the central government level) is estimated to be Rs. 250 billion, there is an internal demand too – mainly to address transparency aspects of government procurement. Moreover, Indian firms are bidding for foreign contracts (on their own as well as through joint venture) and many are facing considerable challenges in accessing foreign markets for government procurement on account of India not being a member of the WTO Plurilateral Agreement on Government Procurement.

Keeping in mind India's opportunities and challenges in transparency and market access in government procurement, in 2010 India attained the status of an observer to the WTO Plurilateral Agreement on Government Procurement. As a result, although India can observe negotiations and other proceedings it cannot take part in them with official submissions. However, there can be informal bilateral/plurilateral meetings with other members of that agreement. India has also become an active player in the government procurement market by agreeing to negotiate this subject as part of the India-Japan Free Trade Agreement and the EU-India free trade agreement.

Context

Given this Background, one confronts with lack of data and literature on Indian government procurement market. And, there is little systematic attempt to make the process of acceding to the WTO Plurilateral Agreement on Government more scientific and knowledge-based as well as inclusive. This project, supported by the British High Commission, New Delhi, will examine various features of the government procurement market of India in three sectors – pharmaceuticals including medical equipment, information technology and IT-enabled services, and rail transport, and the impact of India's possible accession to the WTO GPA on these important markets and otherwise.

Agenda

1030-1100	Registration
1100-1130	Opening
1130-1200	Break
1200-1330	Presentation on the Project & Discussion
1330	Lunch