

Georgia No. 2 (2023)

Amending Agreement

No. 2 between the United Kingdom of Great Britain and Northern Ireland and Georgia Amending the Strategic Partnership and Cooperation Agreement between the United Kingdom of Great Britain and Northern Ireland and Georgia

Tbilisi, 2 and 14 December 2022

[The Agreement is not in force]

Presented to Parliament
by the Secretary of State for Foreign, Commonwealth and Development Affairs
by Command of His Majesty
October 2023



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ISBN 978-1-5286-4518-8 E03007622 10/23

Printed on paper containing 40% recycled fibre content minimum

Printed in the UK by HH Global on behalf of the Controller of His Majesty's Stationery Office

AMENDING AGREEMENT NO 2 BETWEEN THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND GEORGIA AMENDING THE STRATEGIC PARTNERSHIP AND COOPERATION AGREEMENT BETWEEN THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND GEORGIA

Note No. 1

British Embassy Tbilisi to the Ministry of Foreign Affairs of Georgia

Tbilisi 2 December 2022

Your Excellency,

I have the honour to refer to the Strategic Partnership, Trade and Cooperation Agreement between the United Kingdom of Great Britain and Northern Ireland and Georgia, done at London on 21 October 2019 ("the Agreement"), and to the recent discussions which have taken place between our respective Governments concerning the amendment of certain intellectual property and procurement provisions of the Agreement.

Consistent with these recent discussions, I have the honour to propose on behalf of the Government of the United Kingdom of Great Britain and Northern Ireland that the Agreement be amended as follows:

- 1. A footnote shall be inserted after the phrase "original work of art" in the first sentence of Article 155.1 of the Agreement, and shall read as follows:
 - '1 For the purposes of this Article, a Party may construe an "original work of art" as being a work of graphic or plastic art such as pictures, collages, paintings, drawings, engravings, prints, lithographs, sculptures, tapestries, ceramics, glassware and photographs, which is either the original or one of a limited number made by the author or under their authority.'
- 2. The following shall be inserted after Article 136.5 of the Agreement and shall constitute a new Article 136.6:

This Chapter shall not apply to the procurement of publicly-funded clinical healthcare services. Clinical healthcare services include the following services:

- (a) Human health services (CPC 931);
- (b) Administrative healthcare services (CPC 91122); and
- (c) Supply services of nursing personnel and supply services of medical personnel (CPC 87206 and CPC 87209).

CPC means the Central Products Classification as set out in the Statistical Office of the United Nations, Statistical Papers, Series M, N° 77, CPC prov, 1991.'

3. Article 136.4 of the Agreement shall be replaced with the following:

'In relation to any procurement carried out by the contracting authorities and contracting entities of the United Kingdom, the calculation of the estimated value of a public contract shall be based on the total amount payable.

In relation to any procurement carried out by the contracting authorities and contracting entities of Georgia, the calculation of the estimated value of a public contract shall be based on the total amount payable, net of taxes on value added.

When applying the thresholds in Section A of Annex XII-A, both Parties shall convert these values into their own national currency (hereinafter referred to as "national currency values"), using the methodology laid out in Annex 3 of the "Decisions on Procedural Matters under the Agreement on Government Procurement (1994)" (GPA/1). If a Party calculates the estimated value of a public contract net of taxes on value added, this same reduction should be applied during the conversion of the thresholds in Section A of Annex XII-A into national currency values.

These national currency values shall be revised every two years, beginning on 1 January 2022. Each Party shall notify the other Party of the revised national currency values that are to apply for each two-year period in advance of that period commencing.

When applying the thresholds in Section B of Annex XII-A, Georgia shall calculate and convert these values into its own national currency, using the exchange rate of its National Bank.'

4. Annex XII-A of the Agreement shall be replaced with the following:

'ANNEX XII-A

ANNEX XII-A to Chapter 8

THRESHOLDS

(Article 136.4)

The value thresholds mentioned in Article 136.4 shall be for both Parties:

Section A

- (a) SDR 130 000 for public supply and service contracts awards by central government authorities and design contests awarded by such authorities;
- (b) SDR 200 000 in the case of public supply and public services contracts not covered by point (a);
- (c) SDR 5 000 000 in the case of public works contracts;

- (d) SDR 5 000 000 in the case of works contracts in the utilities sector;
- (e) SDR 5 000 000 in the case of concessions;
- (f) SDR 400 000 in the case of supply and service contracts in the utilities sector.

Section B

- (g) GBP 665 000 for public service contracts for social and other specific services;
- (h) GBP 885 000 service contracts for social and other specific services in the utilities sector.'

If the foregoing proposals are acceptable to the Government of Georgia, I propose that this note and your reply to that effect shall together constitute an agreement between our two Governments in this matter, which shall enter into force on a date to be determined by the Parties in a further exchange of notes confirming completion of their respective internal procedures.

I avail myself of this opportunity to renew to you the assurances of my highest consideration.

Note No. 2

Ministry of Foreign Affairs of Georgia to the British Embassy Tbilisi

Tbilisi
14 December 2022

Your Excellency,

I have the honour to acknowledge receipt of your Note No 039/22 dated 2 December 2022, concerning the Strategic Partnership, Trade and Cooperation Agreement between the United Kingdom of Great Britain and Northern Ireland and Georgia, done at London on 21 October 2019 ("the Agreement"), which reads follows:

"Your Excellency,

I have the honour to refer to the Strategic Partnership, Trade and Cooperation Agreement between the United Kingdom of Great Britain and Northern Ireland and the Republic of Moldova, done at Chisinau on 24 December 2020 ("the Agreement"), and to the recent discussions concerning the amendment of certain provisions of the Agreement pursuant to Article 386(1) of the Agreement.

Consistent with these recent discussions, I have the honour to propose on behalf of the United Kingdom of Great Britain and Northern Ireland that the Agreement be amended as follows:

- 1. A footnote shall be inserted after the phrase "original work of art" in the first sentence of Article 155.1 of the Agreement, and shall read as follows:
 - '1 For the purposes of this Article, a Party may construe an "original work of art" as being a work of graphic or plastic art such as pictures, collages, paintings, drawings, engravings, prints, lithographs, sculptures, tapestries, ceramics, glassware and photographs, which is either the original or one of a limited number made by the author or under their authority.'
- 2. The following shall be inserted after Article 136.5 of the Agreement and shall constitute a new Article 136.6:

This Chapter shall not apply to the procurement of publicly-funded clinical healthcare services. Clinical healthcare services include the following services:

- (a) Human health services (CPC 931);
- (b) Administrative healthcare services (CPC 91122); and
- (c) Supply services of nursing personnel and supply services of medical personnel (CPC 87206 and CPC 87209).

CPC means the Central Products Classification as set out in the Statistical Office of the United Nations, Statistical Papers, Series M, N° 77, CPC prov, 1991.'

3. Article 136.4 of the Agreement shall be replaced with the following:

'In relation to any procurement carried out by the contracting authorities and contracting entities of the United Kingdom, the calculation of the estimated value of a public contract shall be based on the total amount payable.

In relation to any procurement carried out by the contracting authorities and contracting entities of Georgia, the calculation of the estimated value of a public contract shall be based on the total amount payable, net of taxes on value added.

When applying the thresholds in Section A of Annex XII-A, both Parties shall convert these values into their own national currency (hereinafter referred to as "national currency values"), using the methodology laid out in Annex 3 of the "Decisions on Procedural Matters under the Agreement on Government Procurement (1994)" (GPA/1). If a Party calculates the estimated value of a public contract net of taxes on value added, this same reduction should be applied during the conversion of the thresholds in Section A of Annex XII-A into national currency values.

These national currency values shall be revised every two years, beginning on 1 January 2022. Each Party shall notify the other Party of the revised national currency values that are to apply for each two-year period in advance of that period commencing. When applying the thresholds in Section B of Annex XII-A, Georgia shall calculate and convert these values into its own national currency, using the exchange rate of its National Bank.'

4. Annex XII-A of the Agreement shall be replaced with the following:

'ANNEX XII-A

ANNEX XII-A to Chapter 8

THRESHOLDS

(Article 136.4)

The value thresholds mentioned in Article 136.4 shall be for both Parties:

Section A

- (a) SDR 130 000 for public supply and service contracts awards by central government authorities and design contests awarded by such authorities;
- (b) SDR 200 000 in the case of public supply and public services contracts not covered by point (a);
- (c) SDR 5 000 000 in the case of public works contracts;
- (d) SDR 5 000 000 in the case of works contracts in the utilities sector;
- (e) SDR 5 000 000 in the case of concessions:
- (f) SDR 400 000 in the case of supply and service contracts in the utilities sector.

Section B

- (g) GBP 665 000 for public service contracts for social and other specific services;
- (h) GBP 885 000 service contracts for social and other specific services in the utilities sector.'

If the foregoing proposals are acceptable to the Republic of Moldova, I propose that this note and your reply to that effect shall together constitute an agreement between the United Kingdom of Great Britain and Northern Ireland and the Republic of Moldova in this matter, which shall enter into force on the date of receipt of the later note in an exchange of diplomatic notes between the Parties confirming that all necessary internal procedures for entry into force of this agreement have been completed.

I avail myself of this opportunity to renew to you the assurances of my highest consideration."

I have the honour to confirm that the aforementioned proposals are acceptable to the Government of Georgia and that your note and this reply shall together constitute an agreement between our two Governments on this matter, which shall enter into force on a date to be

determined by the Parties in a further exchange of notes confirming completion of their respective internal procedures.

I avail myself of this opportunity to renew to you the assurances of my highest consideration.