(b) by a joint venture formed exclusively by a number of procuring entities for the purpose of carrying out a relevant activity within the meaning of paragraphs (i) to (vi) of this Annex, to an undertaking which is affiliated with one of these procuring entities,

provided that at least 80 per cent of the average turnover of the affiliated undertaking with respect to goods, services or construction services for the preceding three years derives respectively from the provision of such services or goods to undertakings with which it is affiliated.

When, because of the date on which an affiliated undertaking was created or commenced activities, the turnover is not available for the preceding three years, it will be sufficient for that undertaking to show that the turnover referred to in this paragraph is credible, in particular by means of business projections.

3. This Agreement does not cover procurement by entities in this Annex:

(a) by a joint venture, formed exclusively by a number of procuring entities for the purpose of carrying out activities of paragraphs (i) to (vi) of this Annex, to one of these procuring entities; or

(b) by a procuring entity to such a joint venture of which it forms part, provided that the joint venture has been set up in order to carry out the activity concerned over a period of at least three years and that the instrument setting up the joint venture stipulates that the procuring entities, which form it, will be part thereof for at least the same period.

4. This Agreement does not cover procurement for the purchase of water, the supply of energy or of fuels for the production of energy.

5. This Agreement does not cover procurement by procuring entities other than a public authority exercising the supply of drinking water or electricity to networks which provide a service to the public, if they produce these services by themselves and consume them for the purpose of carrying out other activities than those described under this Annex under (i) and (iii) and provided that the supply to the public network depends only on the entity's own consumption and does not exceed 30 per cent of the entity's total production of drinking water or energy, having regard to the average for the preceding three years, including the current year.

6. This Agreement does not cover procurement for purposes of re-sale or hire to third parties, provided that the procuring entity enjoys no special or exclusive right to sell or hire the subject of such contracts and other entities are free to sell or hire it under the same conditions as the procuring entity.

7. This Agreement does not cover procurement by procuring entities providing a bus service if other entities are free to offer the same service either in general or in a specific geographical area and under the same conditions.

8. This Agreement does not cover procurement by procuring entities pursuing an activity described in this Annex when that activity is exposed to full market competition.

9. The following shall not be considered as covered procurement:

(a) procurement by procuring entities operating in the fields of:

(i) production, transport or distribution of drinking water covered under this Annex in regard of suppliers and service providers of Canada and the United States of America;

(ii) electricity in regard of suppliers and service providers of Canada and Japan;

(iii) urban railway, tramway, trolley bus or bus services covered under this Annex in regard of goods, services, suppliers and service providers from Canada, Japan and the United States;

(iv) bus services under this Annex in regard of suppliers and service providers from Israel and Korea;

(b) procurement by entities listed in this Annex as regards procurement of HS Nos 8504, 8535, 8537 and 8544 (electrical transformers, plugs, switches and insulated cables) in regard of suppliers of Israel and Korea; and HS Nos 85012099, 85015299, 85015199, 85015290, 85014099, 85015390 and 8536 in regard of suppliers of Israel;

(c) procurement by procuring entities covered under this Annex of air traffic control equipment in regard of suppliers and service providers from the United States;

(d) procurement of services in regard to Parties which do not include service contracts for the relevant entities in Annexes 1 to 3 and the relevant service category under this Annex in their own coverage;

until such time as the Principality of Liechtenstein has accepted that the Parties concerned provide satisfactory reciprocal access for goods, suppliers, services and service providers of the Principality of Liechtenstein to their own procurement market.

10. The provisions of Article XVIII shall not apply to suppliers and service providers of:

- Israel, Japan and Korea in contesting the award of contracts by entities of the Principality of Liechtenstein, whose value is less than the threshold applied for the same category of contracts awarded by these Parties;

- Japan, Korea and the United States of America in contesting the award of contracts to a supplier or service provider of Parties other than those mentioned, which are small- or medium-sized enterprises under the relevant provisions of the law of Liechtenstein until such time as the Principality of Liechtenstein accepts that they no longer operate discriminatory measures in favour of certain domestic small and minority businesses.

ANNEX 4

Goods

Unless otherwise specified, this Agreement covers all goods.