

# POLITICO

# Weekly Trade

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## **LIGHTHIZER: U.S. NEEDS TO RESET GOVERNMENT PROCUREMENT AGREEMENT:**

The United States needs to reset its commitments under the WTO's Government Procurement Agreement to allow the White House and Congress to implement stricter Buy American provisions, U.S. Trade Representative Robert Lighthizer said last week.

However, as of late Sunday, there was still **no word whether U.S. officials decided in a meeting on Friday to formally give 60 days notice to the WTO that the United States intends to withdraw from the agreement.** If the Trump administration were to give notice today, it would take effect on Jan. 22. That would give President-elect Joe Biden just a tiny window to reverse the withdrawal, if he wanted to do that.

The U.S. is a founding member of the GPA which currently has 48 members, including the EU, Japan and Canada. Participating countries agree to treat companies from other GPA members the same as domestic firms in bidding for public procurement projects. However, countries also designate which government agencies are bound by the agreement.

Ahead of Friday's meaning, Lighthizer said he believed the GPA was a "bad" agreement for the U.S. "We're basically giving more than we're getting in the GPA," he said during a video discussion hosted by the Dole Institute of Politics at the University of Kansas.

"My own sense is we have to rebalance that a little bit. We have to have more Buy America. And to the extent that we're giving access to [companies from] other countries, as if they were American, we have to get more access from their place than we have so far. So, it was a bad negotiation. It probably needs to be reformed," Lighthizer said.

What would Joe do?: It's not clear how Biden would respond to a GPA withdrawal since he also wants to beef up Buy American provisions, including by renegotiating U.S. commitments under the GPA and other trade deals.