

Annex 15 referred to in Chapter 11
Thresholds

Part A
Thresholds Applicable to Japan

1. The thresholds for procurement by entities listed in Section 1, Part A of Annex 11 are:

- SDR 130,000 for goods;
- SDR 130,000 for services;
- SDR 4,500,000 for construction services; and
- SDR 450,000 for architectural, engineering and other technical services.

2. The thresholds for procurement by entities in Group A, except Japan Post, listed in Section 3, Part A of Annex 11 are:

- SDR 130,000 for goods;
- SDR 130,000 for services;
- SDR 15,000,000 for construction services; and
- SDR 450,000 for architectural, engineering and other technical services.

3. The thresholds for procurement by Japan Post in Group A and entities in Group B listed in Section 3, Part A of Annex 11 are:

- SDR 130,000 for goods;
- SDR 130,000 for services;
- SDR 4,500,000 for construction services; and
- SDR 450,000 for architectural, engineering and other technical services.

Note to Part A:

Japan shall calculate and convert the value of thresholds into Yen based on an average value of Yen in terms of SDRs for two years period starting on January 1 of each year and ending on December 31 of the next year. The thresholds as expressed in Yen, which are published by the Ministry of Foreign Affairs in the publication listed in Annex 17, are valid for two years period starting on April 1 of each year and ending on March 31 two years later. However, the thresholds which are valid at the time of entry into force of this Agreement shall remain in effect until 31 March, 2006.

Part B
Thresholds Applicable to Mexico

1. The thresholds for procurement, by entities listed in Section 1, Part B of Annex 11 are:

- 100,000 United States dollars for goods or services specified in Annexes 12, 13, or any combination thereof; and
- 6,500,000 United States dollars for construction services specified in Annex 14.

2. The thresholds for procurements by entities listed in Section 2, Part B of Annex 11 are:

- 250,000 United States dollars for goods or services specified in Annex 12, 13, or any combination thereof; and
- 8,000,000 United States dollars for construction services specified in Annex 14.

3. However, in order to provide equivalence to the current value of the thresholds applied in the context of the NAFTA, Mexico shall, from the date of entry into force of this Agreement, apply the NAFTA thresholds, as may be amended, instead of those mentioned in paragraphs 1 and 2.

4. Mexico shall calculate and convert the value of the thresholds into pesos using the conversion rate of the Banco de México. Its conversion rate shall be the existing value of the Mexican peso in terms of the US dollar as of 1 December and 1 June of each year, or the first working day thereafter. The conversion rate as of 1 December shall apply from 1 January to 30 June of the following year, and the conversion rate as of 1 June shall apply from 1 July to 31 December of that year.