

WORLD TRADE ORGANIZATION

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**Council for Trade in Services
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**COMMUNICATION FROM ARGENTINA, BRAZIL, CUBA, THE DOMINICAN
REPUBLIC, EL SALVADOR, HONDURAS, INDIA, INDONESIA, MALAYSIA,
MEXICO, NICARAGUA, PAKISTAN, PANAMA, PARAGUAY, PHILIPPINES,
SRI LANKA, THAILAND, URUGUAY, AND THE MEMBERS OF
THE ANDEAN COMMUNITY (BOLIVIA, COLOMBIA,
ECUADOR, PERU, VENEZUELA).**

Elements for Negotiating Guidelines and Procedures

The attached communication has been received from the above-mentioned delegations with the request that it be circulated to Members of the Council for Trade in Services.

I. PRINCIPLES FOR THE NEGOTIATIONS

1. Negotiations shall be conducted on the basis of progressive liberalization as stated in Article XIX of the GATS.
2. There shall be appropriate flexibility for individual developing country Members.
3. Negotiations shall be conducted within the existing architecture of the GATS, both in terms of the approach to scheduling specific commitments and the four modes of supply.
4. There shall be due respect in these negotiations for national policy objectives and the level of development of individual Members.

II. OBJECTIVES OF THE NEGOTIATIONS

5. Achieving progressively higher levels of liberalization on trade in services, according to Article XIX of the GATS, as a means of promoting the economic growth of all trading partners and the development of developing countries.
6. Securing an overall balance of rights and obligations through effective market access with a view to promoting the interests of all participants on a mutually advantageous basis.
7. Increasing the participation of developing countries in trade in services, giving special priority for least developed country Members.

III. SCOPE OF THE NEGOTIATIONS

8. No *a priori* exclusion of any service sector or mode of supply. In this regard, appropriate flexibility for developing country Members shall be provided for in accordance with Article XIX:2 of the GATS.

9. Liberalization shall focus on sectors and modes of supply of export interest to developing countries.

10. Negotiations on safeguards under Article X shall be completed by according to the Decision by the Council on Trade in Services. Negotiations under Articles VI.4 and XV shall be completed prior to the conclusion of negotiations of specific commitments.

IV. ASSESSMENT OF TRADE IN SERVICES

11. The Council for Trade in Services (CTS) shall continue to carry out an assessment of trade in services in overall terms and on a sectoral basis with reference to the objectives of the GATS and of Article IV in particular.

12. Assessment shall constitute an ongoing activity of the Council and the negotiations shall be adjusted in the light of the results of the assessment.

V. MODALITIES FOR AUTONOMOUS LIBERALIZATION

13. Based on multilaterally agreed criteria, account shall be taken and credit shall be given in market access negotiations for autonomous liberalization undertaken by Members since previous negotiations.

VI. MODALITIES AND PROCEDURES FOR NEGOTIATIONS

14. The services negotiations will be conducted in Special Sessions of the Council for Trade in Services, and the CTS will report on a regular basis to the General Council, according to the decision taken by the General Council on 7 February 2000.

15. Negotiations shall be transparent and open to all Members and acceding States and separate customs unions territories according to the Decision taken in this regard by the General Council on 5 May 2000.

16. The starting point for the negotiations of specific commitments is the current schedules of specific commitments.

17. Request and Offer shall be the principal method of negotiating specific commitments. Complementary methods as necessary, agreed upon by Members and consistent with the architecture of the GATS, may also be considered as a way of moving the negotiations forward to achieve the GATS objectives.

18. The Committee on Specific Commitments will endeavour to complete ongoing work on scheduling guidelines and classification prior to the beginning of market access negotiations. If necessary, further work on classification and scheduling guidelines may continue during the course of negotiations.

19. There shall be appropriate flexibility for individual developing country Members for opening fewer sectors, liberalizing fewer types of transactions, progressively extending market access in line

with their development situation and, when making access to their markets available to foreign service suppliers, attaching to such access conditions aimed at achieving the objectives referred to in Article IV.

20. There shall be recognition and the granting of negotiating credits for autonomous liberalization undertaken by Members since previous negotiations.

VII. EFFECTIVE IMPLEMENTATION OF ARTICLE IV OF THE GATS

21. These negotiations shall establish specific mechanisms for the effective implementation of Article IV.

22. The CTS shall, whenever reviewing progress in negotiations, consider the extent to which Article IV is being implemented and suggest ways and means of promoting the goals established therein.

VIII. PRACTICAL ARRANGEMENTS FOR THE NEGOTIATIONS

23. Negotiations should be conducted in a flexible and efficient way, without imposing unnecessary burden on Members, in particular with respect to the number and frequency of meetings. Proliferation of subsidiary bodies should be avoided to the maximum extent possible;

24. Negotiating functions should be clearly assigned to the bodies concerned in order to avoid overlaps. If necessary, consideration should be given to the reassignment of activities among the existing bodies, only for the duration of the negotiations;

25. The needs of smaller delegations should be taken into account, e.g. by scheduling meetings in sequence and not in parallel.
