

**COMMUNICATION FROM COLOMBIA<sup>1</sup>**

Environmental Services

The following communication has been received from the delegation of Colombia with the request that it be circulated to the Members of the Council for Trade in Services.

**I. INTRODUCTION**

1. The specific commitments made by the Members with regard to environmental services follow the classification in document MTN.GNS/W/120, that is to say, they cover the following services: sewage, refuse disposal, sanitation and similar services, and others. This classification focuses therefore, on pollution control and waste management.

2. The provision of the services mentioned has been traditionally assigned to state enterprises owing to the fact that (i) some of these services are of public benefit and (ii) they sometimes constitute a natural monopoly on account of the economies of scale involved in the provision of the service itself.

3. However, the process of economic deregulation initiated 20 years ago has led to the privatization of services provided by state enterprises. The idea underlying this process is that a private enterprise management approach, in conjunction with a proper regulatory system, would lead to more efficient management in the provision of the service and ensure wider coverage.

**II. PROPOSAL**

4. The provision of the services mentioned in paragraph 1 requires high levels of investment and expertise. Accordingly, the commercial presence of foreign enterprises in the provision of environmental services may be beneficial for the developing countries through (i) increased investment and contribution to capital formation, (ii) technology transfer (iii) wider coverage and (iv) an improvement in environmental and sanitary conditions. However, in taking on commitments to liberalize this sector, the level of development of the Members should be taken into account.

5. If international trade in services is to become more balanced, the developed countries will need to undertake commitments on market access concerning the movement of individuals so as to allow the procurement of environmental services at the international level.

6. With regard to environmental services acquired on the territory of another Member the competent authorities should take into account professional qualifications, on the basis of equivalent levels of education, experience and examination requirements.

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<sup>1</sup> Colombia reserves the right to amend this proposal at any time.

7. For the negotiation of such services it would be useful to have a model list, with a view to the incorporation of new services which were not envisaged in document W/120, but which would be specific to the sector and would not duplicate activities already covered in that document. The proposed classification presented by the European Communities provides a useful working basis. In particular, Colombia proposes that the following services be included: the implementation and auditing of environmental management systems, the evaluation and mitigation of environmental impact, and advice in the design and implementation of clean technologies.

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