

COMMUNICATION FROM INDIA

Negotiating Proposal on Computer and Related Services

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

I. INTRODUCTION

1. In the recent past, the computer and related services sector has witnessed significant growth. In India, it is amongst the fastest growing sectors. It is a thrust area for generating employment and exports. The sector has unique characteristics in that it requires skilled manpower, few raw materials and is environment-friendly. It is an important sector for developed as well as developing countries. India hopes that the on-going negotiations would ensure that the present growth trend in this sector continues in the future also.

II. ANALYSIS OF COMMITMENTS

2. Our delegation appreciates the fact that this sector is comparatively less restricted than the other sectors. Yet, the presence of limitations scheduled in the horizontal section of the schedule of specific commitments drastically restrict the otherwise free flow of services.

3. In the level of commitments for sub-services (a-d) as a whole, the proportion of full market access commitments for commercial presence is high and is between 68 and 77 per cent. But, the proportion of full commitments on market access for presence of natural persons is very low at 4-7 per cent. This underlines the fact that with regard to the mode of delivery of services of particular interest to developing countries there exists a serious asymmetry. Sectoral commitments are minimal and further add to limitations given in horizontal commitments. Restriction with regard to number of persons is one of the major barriers to the supply of services via mode 4.

III. PROPOSAL

4. The increasing proportion of offshore services and recent technological developments indicate that full commitment under mode 1 is possible. Members may consider reflecting this technological reality in their commitments during the current round of negotiations.

5. In order to have clarity with respect to categories of professionals relating to computer services, it is proposed that ISCO 88 classification of professional categories may be superimposed on the professional services sectors of Services Sectoral Classification List MTN/GNS/W/120 in the case of computer and related services professionals as indicated in Annex 'A'.

6. The horizontal commitments taken under mode 4 have not achieved the desired extent of liberalisation. It is proposed that WTO Members make sector specific commitments. It is further proposed that the numerical restriction put on the entry of professionals in the foreign markets for supply of services be removed. The specific characteristic of this mode is the need for speed and flexibility in movement of personnel without which any commitment may become meaningless. Hence, there is need for short-term visas being given at very short notice and also for greater provision of mobility for the visa holder. In addition, there is a general need for greater transparency, simplicity and certainty in the visa regime.

7. We would suggest that the social security levies and charges imposed on professionals from other countries may be removed as such professional service suppliers will not stand to benefit from any social security cover in the host country.

8. India hopes that those WTO Members who have not taken commitments in this sector will be encouraged to take sector-specific commitments. Members who have taken commitments may consider improving the same.

9. India reserves the right to amend and change the proposal at any time during the on-going negotiations.

ANNEX A

Superimposition of ISCO-88 of ILO relating to category of Professionals on the professional services sector of Services Sectoral Classification List – MTN/GNS/W/120

W/120 Service Sector Classification	International Standard Classification of Occupations(ISCO-88)	
Computer and Related Services	213	Computing Professionals
	2131	Computer Systems Designers and Analysts
	2132	Computer Programmers
	2139	Computing Professionals not elsewhere classified
	312	Computer Associate Professionals
	3121	Computer Assistants
	3122	Computer Equipment Operators
