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**Council for Trade in Services
Special Session**

Original: Spanish

COLOMBIA

Initial Offer

The following initial offer was received from the delegation of Colombia on 4 September 2003 with the request that it be circulated to the Members of the Council for Trade in Services.

Colombia hereby submits its conditional initial offer of specific commitments in services. The offer is not a legal text and is submitted pursuant to the mandate established in paragraph 15 of the Doha Ministerial Declaration concerning Members' commitment to submit an initial offer for the current negotiations, and in the context of the Development Agenda.

This initial offer is made in the context of paragraphs 47 and 49 of the Doha Ministerial Declaration, especially in the light of the need to achieve an overall balance in the outcome of all World Trade Organization (WTO) negotiations. Accordingly, this offer is contingent on such an overall balance and Colombia reserves the right to modify and/or withdraw it in the course of the current negotiations.

In conformity with Article 1.3(b)(c) of the GATS, services supplied in the exercise of governmental authority are not included in this offer.

As regards matters pertaining to domestic regulation and GATS rules, Colombia accords priority to the negotiation of horizontal disciplines in the context of paragraph 7 of the Guidelines and Procedures for the Negotiations on Trade in Services (S/L/93).

Furthermore, pursuant to Article VI of the GATS Colombia reserves the right to establish, maintain and fully implement its national legislation in order to achieve legitimate policy objectives in consumer protection, health and the environment among other areas. It likewise reserves the right to revise or amend this offer in the light of the results reached in the Working Party on GATS Rules and the Working Party on Domestic Regulation.

In drawing up this initial offer, Colombia took as a basis, as far as was possible, the Services Sectoral Classification List (MTN.GNS/W/120) and the definitions contained in the United Nations' Central Product Classification.

Colombia is ready to comment on or clarify any doubts concerning its conditional initial offer. Queries should be addressed to the Permanent Mission of Colombia to the WTO in Geneva, or to the Ministry of Trade, Industry and Tourism of Colombia (Foreign Investment and Services Department).

COLOMBIA - CONSOLIDATED SCHEDULE OF SPECIFIC COMMITMENTS

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|--|--|--|------------------------|
| I. HORIZONTAL COMMITMENTS | | | |
| <p>ALL SECTORS INCLUDED IN THIS SCHEDULE</p> | <p>(3) Foreign investment is allowed in all sectors of the economy except for investment projects in activities relating to national defence and the processing and disposal of toxic, hazardous or radioactive waste not produced in Colombia.</p> <p><i>With regard to foreign corporations, a tax exists on remittances of profits. Colombia considers that this tax is compatible with the provisions of the General Agreement on Trade in Services, in particular with the footnote to Article XVI(d), and therefore it is not specified or scheduled in this offer.</i></p> <p>Unappropriated land along the Colombian coastlines and in the border regions with neighbouring countries may be awarded solely to Colombians by birth. Unappropriated land thus acquired cannot be transferred to foreigners.</p> <p>In the islands of the San Andrés and Providencia Archipelago, the acquisition of real property by foreigners, as well as immigration and human settlements, are governed by special provisions for which all relevant reservations are established here.</p> | <p><i>With regard to foreign corporations, a tax exists on remittances of profits.</i></p> | |

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| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|---|--|---|------------------------|
| | <p>(4) Unbound, except for measures affecting the entry and temporary stay of natural persons in the following categories:</p> <p>Managers, legal representatives and technical specialists, with the exception of the professional services subsectors.</p> <p>Any employer with a staff of more than ten employees must employ Colombians in a proportion of not less than 90 per cent of the staff of ordinary employees and not less than 80 per cent of the skilled employees or specialists, administrative staff or persons in posts of responsibility.</p> | <p>(4) Unbound, except for the categories of persons indicated in the market access column.</p> | |
| II. SECTOR-SPECIFIC COMMITMENTS | | | |
| <p>1. BUSINESS SERVICES</p> <p>A. <u>Professional services</u></p> <p>(a) Legal services (CPC 861) Only legal advisory services in foreign legislation and international legislation (excludes advice and litigation in national law)</p> | <p>(1) None (2) None (3) Unbound (4) Unbound</p> | <p>(1) None (2) None (3) Unbound (4) Unbound</p> | |

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| (b) Accounting and book-keeping services (CPC 862) | <p>(1) Unbound</p> <p>(2) None</p> <p>(3) In public accounting companies, at least 80 per cent of partners must be public accountants and the legal representative shall be a public accountant when all partners are public accountants.</p> | <p>(1) Unbound</p> <p>(2) None</p> <p>(3) It is necessary to be registered as an accountant, for which it is necessary to be a Colombian national having the exercise of civil rights or an alien domiciled in Colombia for at least three years prior to the application, and satisfy the following requirements:</p> <p>(a) Possess the degree of public accountant from a Colombian University, show evidence of experience in activities relating to accounting in general of not less than one year, acquired simultaneously with or subsequently to the above studies.</p> <p>(b) Or possess the degree of public accountant or an equivalent title issued by foreign institutions of countries with which Colombia has signed agreements on recognition of degrees and endorsed by the duly authorized governmental body.</p> | |
| (c) Tax advisory services (CPC 863) | <p>(4) Unbound</p> <p>(1) Unbound</p> <p>(2) None</p> <p>(3) None</p> <p>(4) Unbound, except as indicated in the horizontal section.</p> | <p>(4) Unbound</p> <p>(1) Unbound</p> <p>(2) None</p> <p>(3) None</p> <p>(4) Unbound, except as indicated in the horizontal section.</p> | |

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|---|--|--|---|
| (d) Management consulting services (CPC 865) | (1) Unbound (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) Unbound (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | Technical amendment: this subsector will be relocated for the sake of alignment with the W/120 classification. |
| (e) Engineering services (CPC 86721) | (1) None (2) None (3) Unbound (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) Unbound (4) Unbound, except as indicated in the horizontal section. | |
| (g) Urban planning and architectural services (CPC 86742) | (1) None (2) None (3) Unbound (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) Unbound (4) Unbound, except as indicated in the horizontal section. | |
| B. <u>Computer and related services</u> | | | |
| (a) Consultancy services related to the installation of computer hardware (CPC 841) | (1) Unbound (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) Unbound (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| (b) Software implementation services (CPC 842) | (1) Unbound (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) Unbound (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |

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| (c) Data processing services (CPC 843) | (1) Unbound (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) Unbound (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| (d) Data base services (CPC 844) | (1) Unbound (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) Unbound (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| C. <u>Research and development services</u> | (1) None (2) None (3) None | (1) None (2) None (3) Unbound | |
| (a) R&D services on natural sciences (CPC 85101) | (4) Unbound, except as indicated in the horizontal section. | (4) Unbound, except as indicated in the horizontal section. | |
| (b) R&D services on social sciences and humanities (CPC 852) | | | |
| (c) Interdisciplinary R&D services (CPC 853). These include research services and their technological applications that involve a variety of disciplines and areas of their use for social purposes. | | | |

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| E. <u>Rental/leasing services without operators</u> | | | |
| (c) Rental/leasing services Rental/leasing services concerning other means of transport without operator | (1) Unbound (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) Unbound (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| F. <u>Other business services</u> | | | |
| (b) Market research and public opinion polling services (CPC 864) | (1) Unbound (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) Unbound (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| (c) <i>Management consulting service (CPC 865)</i> | (1) <i>Unbound</i> (2) <i>None</i> (3) <i>None</i> (4) <i>Unbound, except as indicated in the horizontal section.</i> | (1) <i>Unbound</i> (2) <i>None</i> (3) <i>None</i> (4) <i>Unbound, except as indicated in the horizontal section.</i> | |
| (e) Technical testing and analysis services (CPC 8676) | (1) Unbound (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) Unbound (2) None (3) None. In order for a foreign firm to carry out technical testing and analysis work, the service provision contract must contain clauses ensuring technology transfer to local firms. (4) Unbound, except as indicated in the horizontal section. | |
| (o) Building-cleaning services (CPC 874) | (1) Unbound (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) Unbound (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |

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| Hydrocarbon services ¹ <u>In geology, geophysics, geochemistry</u> Seismic Basin outline surveys Magnetometric surveys Gravimetric surveys Photogeology | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |

¹ Colombia reserves the right, in the course of the current negotiations, to relocate the commitments included in this paragraph in the light of the progress and results achieved in the ongoing discussions in the WTO regarding the various classification proposals for energy-related services.

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|--|---|---|------------------------|
| Satellite positioning | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| Remote sensors | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| Biostratigraphic services | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| Acquisition of information on sub-soil geology | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| Map-making | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| <u>In drilling of hydrocarbon wells</u> | | | |
| Supply of drilling equipment and corresponding tests | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |

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| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
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| Drilling of wells | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| Drilling fluids | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| Taking, processing and interpretation of samples | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| Coring, cementing, casing | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| Fishing services | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| Directional well services | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |

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| Supply of well cementation and stimulation equipment | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| <u>In production of hydrocarbons</u> | | | |
| Well finishing (completion) | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| Pressure and production tests | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| Reconditioning of wells, stimulation (acidizing, fracturing, packing) | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| Design, erection and maintenance of production facilities (separator tanks, heaters, collecting lines) | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |

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| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|--|---|---|------------------------|
| Design, operation and maintenance of production, including mechanical pumping, hydraulic pumping, electrosubmersible pumping, gas lift, and work carried out on wells after completion (cleaning, repairs) | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| Design, construction, operation and maintenance of oil and gas pipelines | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| <u>Other</u> ¹ | | | |
| Administration, operation and maintenance of oil fields | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| Inspection of equipment, tubes and pipes and other elements used in drilling and hydrocarbon production | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |

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| Environmental conservation and industrial safety in connection with oil spills, pollution and fire | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| Mining services ¹ | | | |
| <u>Geological prospecting</u> | | | |
| Geological field surveys | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| General geological map-making | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| Semi-detailed geological map-making | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| Detailed geological map-making | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |

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|---|---|---|------------------------|
| Interpretation of remote-sensing images | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| Photogeology | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| Geophysical prospecting: geoelectrical, gravimetric, resistivity, magnetometric, refraction and reflexion seismic prospecting | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| Exploratory drilling | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| Trench and spot sampling | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| Petrographical analysis | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |

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| Chemical analysis | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| X-Ray spectrography | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| <u>Calculation of reserves and mine development</u> | | | |
| Mining geology | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| Economic geology | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| Feasibility studies | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| Project management | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |

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| Mine surveying and design | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| Construction assembly and infrastructure studies | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| Road design | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| Terrain utilization | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| Optimization of operations | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| Geotechnics: slope stability, slope design | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |

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| Environmental impact studies | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| Ground-water hydrogeology | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| Geomorphology: basin and terrain management | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| Mineral ore enrichment and processing | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| Legal advisory services relating to mining | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |

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|--|---|---|---|
| <p>2.C. TELECOMMUNICATION SERVICES</p> | | | |
| <p>For the establishment and operation of telecommunication services, the Colombian State adheres to the standards and recommendations laid down by the International Telecommunication Union (ITU) and its regulatory bodies, the CCITT and CCIR. Consequently, in the event of any divergence between their principles and those set out in the GATS agreements for the telecommunication sector, the international agreements signed by Colombia in the framework of the ITU shall apply. They shall also serve as the rules of interpretation in conflicts that may arise between parties pursuant to the GATS negotiations on telecommunication services.</p> | | | |
| <p>The commitments in this schedule do not cover radio and television broadcasting services.</p> <p>All sectors</p> <p>1. For public use, exclusively facilities-based services</p> <p>Local and extended local voice telephony²</p> | <p>The licence or concession for the supply of telecommunications services is granted only to enterprises legally set up in Colombia.</p> <p>(1) None (2) None (3) Foreign investment is permitted up to a maximum of 70% of the capital of the enterprise licensed to operate. (4) Unbound, except as indicated by horizontal commitments.</p> | <p>(1) None (2) None (3) None (4) Unbound, except as indicated by horizontal commitments.</p> | <p>The annexed Reference Paper is adopted, with the notes and reservations indicated.</p> |
| <p>National and international long-distance telephony</p> | <p>Long-distance traffic must be routed through operators licensed to provide a long-distance telephone service. Deliberate inversion of the genuine direction of international traffic (call-back) is not allowed.</p> | | |

² "Extended local" voice telephony (departmental or regional telephony) is the service supplied by the same operator to users in a continuous geographical area consisting of adjacent municipalities, provided the area does not go outside that of the Department.

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| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|--|--|---|------------------------|
| <p>Carrier services</p> <p>Packet-switched data transmission services</p> <p>Circuit-switched data transmission services</p> <p>Telex services</p> <p>Telegraph services</p> | <p>(1) None</p> <p>(2) None</p> <p>(3) Foreign investment is permitted up to a maximum of 70% of the capital of the enterprise licensed to operate. National and international long-distance services are provided by the National Telecommunications Enterprise. Any additional number of operators will be determined by an economic needs test.</p> <p>(4) Unbound, except as indicated by horizontal commitments.</p> <p>Carrier services³ may only be supplied by operators duly authorized to engage in such activities or to provide the relevant services in Colombia. The authorization to supply carrier services does not involve a concession to supply other telecommunications services.</p> <p>(1) None</p> <p>(2) None</p> <p>(3) Foreign investment is permitted up to a maximum of 70% of the capital of the enterprise licensed to operate.</p> <p>(4) Unbound, except as indicated in the horizontal commitments.</p> | <p>(1) None</p> <p>(2) None</p> <p>(3) None</p> <p>(4) Unbound, except as indicated in the horizontal commitments.</p> <p>(1) None</p> <p>(2) None</p> <p>(3) None</p> <p>(4) Unbound, except as indicated by horizontal commitments.</p> | |

³Carrier service is a service providing the necessary capacity to transmit signals between two or more specific points on the telecommunications network. This covers services through circuit- or packet-switched networks and through non-switched networks.

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|---|---|--|------------------------|
| Cellular mobile telephone services (800 MHz band) | <p>(1) None</p> <p>(2) None</p> <p>(3) For the cellular mobile telephone service the country was divided into three regions; in each one the service is supplied by two competing operators, on an exclusive basis until 1 September 1999. Thereafter, the additional number of operators shall be subject to technological possibility.⁴ Private licensed companies must be established as open corporations, in other words, no natural or legal person may, alone or through another person, hold more than 30% of the company share capital and the shares must be listed in a stock exchange in Colombia. Foreign investment is permitted up to a maximum of 70% of the capital of the enterprise licensed to operate.</p> <p>(4) Unbound, except as indicated by horizontal commitments.</p> | <p>(1) None</p> <p>(2) None</p> <p>(3) None</p> <p>(4) Unbound, except as indicated by horizontal commitments.</p> | |
| Personal Communications services (PCs) | <p>(1) None</p> <p>(2) None</p> <p>(3) The Personal Communications service will be supplied as from 31 December 1999 by a number of operators determined by an economic needs test. Foreign investment is permitted up to a maximum of 70 % of the capital of the enterprise licensed to operate.</p> <p>(4) Unbound, except as indicated by horizontal commitments.</p> | <p>(1) None</p> <p>(2) None</p> <p>(3) None</p> <p>(4) Unbound, except as indicated by horizontal commitments.</p> | |

⁴ Technological possibility refers to the relevant clause contained in current concession contracts for cellular mobile telephone services.

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|---|---|---|------------------------|
| Paging services (900 MHz band) | (1) Unbound (2) None (3) The number of operators to supply two-way paging services will be determined not later than 30 June 1997. Foreign investment is permitted up to a maximum of 70 % of the capital of the enterprise licensed to operate. (4) Unbound, except as indicated by horizontal commitments. | (1) None (2) None (3) None (4) Unbound, except as indicated by horizontal commitments. | |
| Trunking | (1) None (2) None (3) The national trunking service will be supplied by four operators selected by competitive bidding, not later than 30 June 1997. Foreign investment is permitted up to a maximum of 70% of the capital of the enterprise licensed to operate. (4) Unbound, except as indicated by horizontal commitments. | (1) None (2) None (3) None (4) Unbound, except as indicated by horizontal commitments. | |
| Provision of satellite capacity, exclusively by geostationary satellite systems | Authorizations to provide satellite capacity do not involve a concession to supply other telecommunications services in Colombia or in connections with foreign countries. (1) None (2) None (3) Foreign investment is permitted up to a maximum of 70% of the capital of the enterprise licensed to operate. (4) Unbound, except as indicated by horizontal commitments. | (1) None (2) None (3) None (4) Unbound, except as indicated by horizontal commitments. | |

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|--|--|--|------------------------|
| <p>2. For non-public use, facilities-based (Relates to the private telecommunications network, established by natural or legal persons for their private and exclusive use, without provision of services to third persons and without connection to the State telecommunications network or to other private telecommunications networks)</p> <p>Voice telephone services</p> <p>Packet-switched data transmission</p> <p>Circuit-switched data transmission</p> <p>Private leased circuit services</p> <p>Paging services</p> <p>Trunking services</p> | <p>(1) None</p> <p>(2) None</p> <p>(3) None</p> <p>(4) Unbound, except as indicated by horizontal commitments.</p> | <p>(1) None</p> <p>(2) None</p> <p>(3) None</p> <p>(4) Unbound, except as indicated by horizontal commitments.</p> | |

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|--|--|--|------------------------|
| <p>3. Value-added telecommunication services. For the purposes of this Schedule, value-added services are defined as those which use as a carrier the basic, telematic or transmission services, or any combination of those services and together with them provide the complete capability for the sending or exchange of information, by adding other facilities to the carrier service or satisfying specific new telecommunication needs.</p> <p>These include: electronic mail, voice mail, on-line information and database retrieval, electronic data interchange, facsimile store and forward, code and/or protocol conversion, on-line data processing and information.</p> <p>Only services that can be differentiated from the basic services are considered value-added services.</p> | <p>(1) Unbound (2) None (3) Telecommunications are a public service which the State will provide directly or through concessions which may be granted exclusively to Colombian natural or legal persons, while reserving in all cases the power of control and supervision. (4) Unbound, except as indicated in the horizontal section.</p> | <p>(1) Unbound (2) None (3) Unbound (4) Unbound, except as indicated in the horizontal section.</p> | |

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|--|------------------------------|-----------------------------------|------------------------|
| <p>Basic services are carrier services and tele-services.</p> <p>Carrier services are services which provide the necessary capacity for the transmission of signals between two or more defined points in the telecommunication network. They comprise services carried out through circuit-switched or packet-switched networks and services carried out through unswitched networks.</p> <p>They include, <i>inter alia</i>, leasing services of isolated pairs and dedicated circuits.</p> <p>Tele-services are those which in themselves provide the full capability for communication between users, including terminal equipment functions. They include, among things, fixed, mobile and mobile-cellular telephony, telgraphy and telex services.</p> | | | |

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|---|--|--|------------------------|
| 3. CONSTRUCTION AND RELATED ENGINEERING SERVICES | | | |
| A. <u>General construction work for buildings</u> (CPC 512) | (1) <i>Unbound*</i> (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) <i>Unbound*</i> (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| B. <u>General construction work for civil engineering</u> (CPC 513) | | | |
| For dams (CPC 51330) | (1) <i>Unbound*</i> (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) <i>Unbound*</i> (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| For golf courses (CPC 51372) | (1) <i>Unbound*</i> (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) <i>Unbound*</i> (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| C. <u>Installation and assembly work</u> | | | |
| For derrick operations (CPC 51570) | (1) <i>Unbound*</i> (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) <i>Unbound*</i> (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|---|--|---|------------------------|
| D. <u>Building completion and finishing work</u> (CPC 517) | (1) Unbound* (2) Unbound* (3) None (4) Unbound, except as indicated in the horizontal section. | (1) Unbound* (2) Unbound* (3) None (4) Unbound, except as indicated in the horizontal section. | |
| E. <u>Other</u> Pre-erection work at building and construction sites (CPC 511) <u>Engineering for hydrocarbon deposits</u> Study and evaluation of hydrocarbon deposits Production analysis and control Improved recovery of hydrocarbons Maximum production rates | (1) Unbound* (2) None (3) None (4) Unbound, except as indicated in the horizontal section. (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) <i>Unbound*</i> (2) None (3) None (4) Unbound, except as indicated in the horizontal section. (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|--|--|--|------------------------|
| Petrophysical and petrochemical analysis of rocks and fluids | <p>(1) None</p> <p>(2) None</p> <p>(3) None</p> <p>(4) Unbound, except as indicated in the horizontal section.</p> | <p>(1) None</p> <p>(2) None</p> <p>(3) None</p> <p>(4) Unbound, except as indicated in the horizontal section.</p> | |
| <p>7. FINANCIAL SERVICES</p> <p>ALL FINANCIAL SERVICES</p> | <p>(3) The Government may make an authorization for domestic and foreign financial entities to operate in Colombia subject to an economic needs test. For this purpose, factors such as the public interest and local and general economic and financial conditions are taken into account.</p> <p>The establishment of suppliers of financial services from abroad is only permitted in the form of affiliated companies or subsidiaries. Other forms, particularly branches, are excluded. The supply of the service must correspond to the purpose specifically authorized for the affiliated company or subsidiary, which must adopt the corporate form required by Colombian legislation. Agencies of foreign financial entities may not provide financial services in Colombia.</p> <p>The supply of financial services in Colombia requires prior Government authorization. Such authorization is granted in accordance with the relevant requirements in Colombian legislation and with the regulatory principles generally accepted at the international level.</p> | <p>(3) In the disposal of State holdings in enterprises, special conditions are offered exclusively to Colombian natural or legal persons.</p> | |

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|--|--|---|------------------------|
| <p>1. <u>Insurance and insurance-related services</u></p> <p>(a) Direct insurance (including co-insurance) other than life insurance</p> <p>(b) Reinsurance and retrocession</p> | <p>In particular, the authorization permitting suppliers of financial services to operate in Colombia is subject to verification by the respective supervisory department of the character, responsibility and qualifications of persons participating in the operation as owners, directors or managers.</p> <p>In addition, the relevant supervisory department verifies that the applicant entities have satisfactory controls to prevent the laundering of assets and to manage risks, and that they have consolidated supervision in conformity with generally accepted principles in this respect at the international level.</p> <p>(1) Unbound, except for insurance related to foreign trade operations, exclusively for external journeys, i.e. those which begin or end in a Colombian port.</p> <p>(2) Unbound</p> <p>(3) None</p> <p>(4) Unbound, except as indicated in the horizontal commitments applicable to all the sectors included in this Schedule.</p> <p>(1) None</p> <p>(2) None</p> <p>(3) None</p> <p>(4) Unbound, except as indicated in the horizontal commitments applicable to all the sectors included in this Schedule.</p> | <p>(1) Unbound</p> <p>(2) Unbound</p> <p>(3) None</p> <p>(4) Unbound, except as indicated in the horizontal commitments applicable to all the sectors included in this Schedule.</p> <p>(1) None</p> <p>(2) None</p> <p>(3) None</p> <p>(4) Unbound, except as indicated in the horizontal commitments applicable to all the sectors included in this Schedule.</p> | |

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|---|---|---|------------------------|
| (c) Insurance intermediation such as brokerage and agency | (1) Unbound (2) Unbound (3) None (4) Unbound, except as indicated in the horizontal commitments applicable to all the sectors included in this Schedule. | (1) Unbound (2) Unbound (3) None (4) Unbound, except as indicated in the horizontal commitments applicable to all the sectors included in this Schedule. | |
| (d) Services auxiliary to insurance, such as consultancy, actuarial, risk assessment and claim settlement services | (1) Unbound (2) Unbound (3) None (4) Unbound, except as indicated in the horizontal commitments applicable to all the sectors included in this Schedule. | (1) Unbound (2) Unbound (3) None (4) Unbound, except as indicated in the horizontal commitments applicable to all the sectors included in this Schedule. | |
| 2. <u>Banking and other financial services (excluding insurance):</u> | | | |
| (a) Acceptance of deposits and other repayable funds from the public | (1) Unbound (2) Unbound (3) None (4) Unbound, except as indicated in the horizontal commitments applicable to all the sectors included in this Schedule. | (1) Unbound (2) Unbound (3) None (4) Unbound, except as indicated in the horizontal commitments applicable to all the sectors included in this Schedule. | |
| (b) Lending of all types, including consumer credit, mortgage credit, factoring by financial institutions, and financing of commercial transactions | | | |
| (c) Financial leasing services | | | |
| (d) Guarantees and commitments | | | |

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|---|------------------------------|-----------------------------------|------------------------|
| <p>(e) Trading for own account or for account of customers, whether on an exchange or in an over-the-counter market, of the instruments mentioned in subparagraphs (x) (C), (E) and (F) of paragraph 5(a) of the Annex on financial services</p> <p>(f) Participation in issues of all kinds of securities, including underwriting and placement as agent (whether publicly or privately) and provision of services related to such issues</p> <p>(g) Money broking</p> <p>(h) Provision and transfer of financial information, financial data processing and related software by suppliers of other financial services</p> | | | |

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|---|---|---|------------------------|
| (i) Advisory, intermediation and other auxiliary financial services on all the activities listed in subparagraphs (a) to (h), including credit reference and analysis, investment and portfolio research and advice, advice on acquisitions and on corporate restructuring and strategy | | | |
| 9. TOURISM AND TRAVEL-RELATED SERVICES | | | |
| A. <u>Hotels</u> (CPC 641) | (1) Unbound (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) Unbound (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |
| B. <u>Travel agencies and tour operators services</u> Travel agencies and tourism (CPC 74710) Wholesale agencies (CPC 74710) | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. | |

ANNEX
Reference Paper

The additional commitments appearing in this schedule apply to basic telecommunications services where specific commitments are undertaken.

Scope

The following are definitions and principles on the regulatory framework for the basic telecommunications services.

Definitions

Users mean service consumers.

Essential facilities mean facilities of a public telecommunications transport network or service that:

- (a) Are exclusively or predominantly provided by a single or limited number of suppliers; and
- (b) cannot feasibly be economically or technically substituted in order to provide a service.

A major supplier is a supplier which has the ability to materially affect the terms of participation (having regard to price and supply) in the relevant market for basic telecommunications services as a result of:

- (a) Control over essential facilities; or
- (b) use of its position in the market.

1. Competitive safeguards

1.1 Prevention of anti-competitive practices in telecommunications

Appropriate measures shall be maintained for the purpose of preventing suppliers who, alone or together, are a major supplier from engaging in or continuing anti-competitive practices.

1.2 Safeguards

The anti-competitive practices referred to above shall include in particular:

- (a) Engaging in anti-competitive cross-subsidization¹;
- (b) using information obtained from competitors with anti-competitive results; and
- (c) not making available to other services suppliers on a timely basis technical information about essential facilities and commercially relevant information which are necessary for them to provide services.

¹ The Colombian State reserves the right to maintain subsidies among different strata of one and the same service.

2. Interconnection

2.1 This section applies to linking with suppliers providing public telecommunications transport networks or services in order to allow the users of one supplier to communicate with users of another supplier and to access services provided by another supplier, where specific commitments are undertaken.

2.2 Interconnection to be ensured

Interconnection with a major supplier will be ensured at any technically feasible point in the network.² Such connection is provided:

- (a) Under non-discriminatory terms, conditions (including technical standards and specifications) and rates and of a quality no less favourable than that provided for its own like services or for like services of non-affiliated service suppliers or for its subsidiaries or other affiliates;
- (b) in a timely fashion, on terms, conditions (including technical standards and specifications) and cost-oriented rates that are transparent, reasonable, having regard to economic feasibility, and sufficiently unbundled so that the supplier need not pay for network components or facilities that it does not require for the service to be provided; and
- (c) upon request, at points in addition to the network termination points offered to the majority of users, subject to charges that reflect the cost of construction of necessary additional facilities.

2.3 Public availability of the procedures for interconnection negotiations

The procedures applicable for interconnection to a major supplier will be made publicly available.

2.4 Transparency of interconnection arrangements

It is ensured that a major supplier will make publicly available either its interconnection agreements or a reference interconnection offer.

2.5 Interconnection: dispute settlement

A service supplier requesting interconnection with a major supplier will have recourse, either:

- (a) At any time; or
- (b) after a reasonable period of time which has been made publicly known to an independent domestic body, which may be a regulatory body as referred to in paragraph 5 below, to resolve disputes regarding appropriate terms, conditions and rates for

² When a request is made to the major supplier (operator) or any existing telecommunications services operator for interconnection at a point different from the one proposed by them, they shall have the right to require the new operator to pay the cost caused by that decision. In the event of a dispute concerning the point of interconnection, the regulatory body may rule on the dispute and allocate costs in the light of the relevant rules and of equitable and objective criteria.

interconnection within a reasonable period of time, to the extent that these have not been established previously.³

3. Universal service

Any Member has the right to define the kind of universal service obligation it wishes to maintain. Such obligations will not be regarded as anti-competitive *per se*, provided they are administered in a transparent, non-discriminatory and competitively neutral manner and are not more burdensome than necessary for the kind of universal service defined by the Member.

4. Public availability of licensing criteria

Where a licence is required, the following will be made publicly available:

- (a) All the licensing criteria and the period of time normally required to reach a decision concerning an application for a licence; and
- (b) the terms and conditions of individual licences.

The reasons for the denial of a licence will be made known to the applicant upon request.

5. Independent regulators

The decisions of and the procedures used by regulators shall be impartial with respect to all market participants.

6. Allocation and use of scarce resources

Any procedures for the allocation and use of scarce resources, including frequencies, numbers and rights of way, will be carried out in an objective⁴, timely, transparent and non-discriminatory manner. The current state of allocated frequency bands will be made publicly available, but detailed identification of frequencies allocated for specific government uses is not required.

³ This item is adopted on the understanding that "independent domestic body" refers to the body determined by Colombian law.

⁴ "Objective" means that allocation and use depend on availability and the national frequency table.

COLOMBIA - FINAL LIST OF ARTICLE II (MFN) EXEMPTIONS

| Sector or subsector | Description of measure indicating its inconsistency with Article II | Countries to which the measure applies | Intended duration | Conditions creating the need for the exemption |
|--|---|--|-------------------|--|
| Telecommunications | The principle of national treatment for the purposes of commercial presence is only granted to suppliers of services in the Andean Market of Value-Added Telecommunications Services | Andean Group countries | Indefinite | Maintains preferential treatment for suppliers of the relevant services belonging to countries members of the Andean Group |
| Audiovisual | Measures under existing or future bilateral or multilateral agreements on the co-production of audiovisual works for the cinema or television, in particular with regard to their distribution, access and financing conditions | Belgium; countries members of the Latin American Agreement on Cinematographic Co-Production; other countries concerned | Unlimited | Protects the principle of the agreements concerned |
| Insurance and insurance-related services | Access to the Colombian market through the commercial presence of foreign suppliers of financial services depends on whether or not the country of origin of such suppliers grants satisfactory possibilities of access to their markets for Colombian suppliers of financial services. | All countries | Indefinite | Improves the conditions for the commercial presence abroad of Colombian suppliers of financial services. |

| Sector or subsector | Description of measure indicating its inconsistency with Article II | Countries to which the measure applies | Intended duration | Conditions creating the need for the exemption |
|---|--|--|-------------------|--|
| Banking and other financial services, excluding insurance Land transport | Measures which grant preferential treatment to countries of the Andean Road Freight System | Countries of the Andean Group | Unlimited | Protects regional integration efforts in this area |