

**COMMUNICATION FROM BOLIVIA, BARBADOS, COLOMBIA, CUBA,  
ECUADOR, NICARAGUA, PERU AND TRINIDAD AND TOBAGO**

Implementation of Paragraph 15 of the Guidelines and Procedures for  
the Negotiations on Trade in Services (S/L/93)

The following communication has been received from the delegations of Bolivia, Barbados, Colombia, Cuba, Ecuador, Nicaragua, Peru and Trinidad and Tobago, with the request that it be circulated to the Members of the Council for Trade in Services.

**I. INTRODUCTION**

1. The delegations of Bolivia, Barbados, Colombia, Cuba, Ecuador, Nicaragua, Peru and Trinidad and Tobago submit this proposal<sup>1</sup> for consideration by Members. Its purpose is to implement the reviews and evaluation agreed upon by Members in paragraph 15 of the Guidelines and Procedures for the Negotiations on Trade in Services (S/L/93).

2. The Doha Work Program seeks to place the needs and interests of developing and least-developed countries at the heart of the negotiations. The reviews and evaluation foreseen in paragraph 15 of the Guidelines and Procedures for the Negotiations constitute an integral part of the principle of special and differential treatment for developing and least-developed countries that shall be taken fully into account in the negotiations as provided for in paragraph 50 of the Doha Ministerial Declaration. One of the main needs and objectives of the current negotiations on trade in services is to achieve an increasing participation of developing countries in world trade through negotiated specific commitments with a view toward promoting their economic growth and development.

3. According to the Guidelines and Procedures for the Negotiations on Trade in Services adopted by the Special Session of the Council for Trade in services on 28 March 2001, the negotiation process shall be subject to different reviews prior to the completion of the negotiations. The aim of these reviews is that the Special Session of the Council for Trade in Services (hereafter “the Council”)

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<sup>1</sup> This proposal is not a legal text. It is submitted solely for the purpose of negotiation and does not prejudice the position of of Bolivia, Barbados, Colombia, Cuba, Ecuador, Nicaragua, Peru and Trinidad and Tobago regarding the issues raised in it. of Bolivia, Barbados, Colombia, Cuba, Ecuador, Nicaragua, Peru and Trinidad and Tobago reserve their right to modify or complement the contents of this proposal at a later stage.

adopts the decisions required to ensure the effective implementation of the objectives established in Articles IV and XIX:2 of the GATS<sup>2</sup> in favour of developing and least-developed countries.

4. Paragraph 14 of the Guidelines and Procedures for the Negotiations establishes that “negotiations shall be adjusted in the light of the results of the assessment of trade in services” -which is an ongoing activity of the Council- “with reference to the objectives of Article IV, in particular”. Whenever the assessment as mandated by article XIX:3 of the GATS is completed, the Council shall decide the extent of the adjustment required in the negotiations.

5. Paragraph 15 introduces clear guidelines for the kind of reviews and evaluation that the Council should undertake during the negotiating process. Paragraph 15 states that:

“To ensure the effective implementation of Articles IV and XIX:2, the Council for Trade in Services in Special Session, **when reviewing progress** in the negotiations, shall consider the extent to which Article IV is being implemented and **suggest ways and means** of promoting the goals established therein. In implementing Article IV consideration shall also be given to the **needs of small service suppliers of developing countries**. It shall also **conduct an evaluation, before the completion of the negotiations, on the results attained in terms of the objectives of Article IV**”.  
(bold added)

6. Therefore, according to Paragraph 15, the Council should undertake two different tasks: first, the Council shall review the progress of the negotiations in order to assess the extent to which the objectives of Article IV are being implemented through negotiated specific commitments. Second, it shall conduct an evaluation on the results attained in terms of the objectives of Article IV, before the completion of the negotiations.

7. An adequate and effective implementation of the mandated reviews of the progress made in the negotiations and the overall evaluation prior to the completion of the negotiations is a priority issue for developing countries. It is through the fulfilment of this tasks that developing countries can ensure that special and differential treatment under the GATS is fully taken into account.

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<sup>2</sup> Art. IV: 1) The increasing participation of developing country Members in world trade shall be facilitated through negotiated specific commitments, by different Members pursuant to Parts III and IV of this Agreement, relating to:

- (a) the strengthening of their domestic services capacity and its efficiency and competitiveness, *inter alia* through access to technology on a commercial basis;
- (b) the improvement of their access to distribution channels and information networks; and
- (c) the liberalization of market access in sectors and modes of supply of export interest to them.

2) Developed country Members, and to the extent possible other Members, shall establish contact points within two years from the date of entry into force of the WTO Agreement to facilitate the access of developing country Members' service suppliers to information, related to their respective markets, concerning:

- (a) commercial and technical aspects of the supply of services;
- (b) registration, recognition and obtaining of professional qualifications; and
- (c) the availability of services technology.

3) Special priority shall be given to the least-developed country Members in the implementation of paragraphs 1 and 2. Particular account shall be taken of the serious difficulty of the least-developed countries in accepting negotiated specific commitments in view of their special economic situation and their development, trade and financial needs.

## II. PROPOSAL

8. In light of the above, we propose that the Council take the following actions to implement the mandate established in paragraph 15 of the Guidelines and Procedures for the Negotiations regarding review of progress in negotiations as related to the implementation of Article IV:

- (i) Establishment of a mechanism: The Special Session of the Council for Trade in Services will include this progress review as a standing agenda item. Discussions on this issue should start no later than one month after the initial offers have been circulated.
- (ii) Benchmarks: The Council shall establish benchmarks to conduct an objectively and systematically reviews of progress in negotiations as related to the implementation of Article IV. The benchmarks will include, *inter alia* a) a review of offers in the light of Article IV objectives; b) reviews of the appropriate flexibility that developing countries have in relation to their schedules of commitments under Article XIX.2 to achieve the objectives of Article IV, based on the offers made; and c) reviews of special priority to be given to the LDCs as mentioned in Article IV.3 and to the needs of small service suppliers of developing countries as mentioned in paragraph 15 of the Guidelines.
- (iii) Procedures: The review mechanism should be carried out on the basis of the information supplied by Members based on the benchmarks mentioned above, as well as the analysis of offers by the WTO Secretariat, UNCTAD and other relevant agencies, in terms of implementation of Article IV. Each of the discussions made on this agenda item, after examining the information related to the benchmarks, will suggest ways and means to promote the objectives of Article IV. The implementation of these suggestions will also be reviewed in subsequent meetings.
- (iv) Stocktaking and Political Guidance: The 5<sup>th</sup> Ministerial Conference, to be held in Cancun, Mexico, in September 2003, shall conduct a stocktaking of the progress in negotiations related to the implementation of Article IV, on the basis of the proceedings and suggestions of the Special Sessions of the Council for Trade in Services and will provide the necessary political guidance to continue the process.
- (v) Evaluation: The mechanism suggested in this proposal could also contribute to the overall evaluation mandated in paragraph 15 of the Guidelines, to be completed before the end of the negotiations, of the results attained in terms of the objectives of Article IV<sup>3</sup>.

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<sup>3</sup> We reserve the right to make further proposals at an appropriate time, regarding the conduct of this evaluation.