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**COMMUNICATION FROM BARBADOS, BOLIVIA, COLOMBIA, CUBA, CHINA,
ECUADOR, EGYPT, HONDURAS, INDIA, INDONESIA, JAMAICA, MALAYSIA,
NICARAGUA, PAKISTAN, PERU, DOMINICAN REPUBLIC,
TRINIDAD AND TOBAGO AND VENEZUELA**

Joint Statement on the Implementation of Paragraph 15 of the Guidelines and
Procedures for the Negotiations on Trade in Services

The attached communication has been received from the above-mentioned delegations with the request that it be circulated to the Council for Trade in Services in Special Session. The statement was made at the meeting on 10 July 2003.

1. On behalf of the delegations of Barbados, Bolivia, Colombia, Cuba, China, Ecuador, Egypt, Honduras, India, Indonesia, Jamaica, Malaysia, Nicaragua, Pakistan, Peru, Dominican Republic, Trinidad and Tobago and Venezuela we would like to make the following statement within sub-item F of the agenda "Implementation of Paragraph 15 of the Guidelines and Procedures for the Negotiations on Trade in Services".

2. The objective of this joint statement is to establish some basis to initiate, under this sub item of the agenda, the review of the progress in negotiations regarding the effective implementation of the objectives of Articles IV and XIX:2 of the General Agreement on Trade in Services (GATS). We consider that a simple and effective way to undertake this review is to provide a set of questions that could facilitate the analysis of initial offers and streamline the discussions towards concrete objectives, bearing in mind the interests and needs of developing and least developed countries.

3. The review of the offers presented is a particularly complex process, especially in the case of developing countries and least developed countries that have very limited experience and scarce institutional and human resources. The determination of the real conditions of market access that have been offered to developing country Members within the framework of the current negotiations requires a systematic and careful analysis. That is the reason why we consider convenient to orientate such analysis through concrete questions that could be classified in three main categories: a) factual questions; b) analytical questions; c) questions relating to the relative value of the offers taking into account the extent to which those offers respond to the initial requests presented or the needs that have been identified by each developing country Member.

4. Within the first category of questions we could consider, in principle, the following:
 - (a) What improvements are being offered as horizontal commitments?
 - (b) What conditions and limitations are attached to the offer in the horizontal commitments?
 - (c) What are the sub sectors and modes of supply where commitments are being offered?
 - (d) What kind of conditions and limitations are attached to a specific sector, sub-sector and mode of supply where commitments are being offered?
 - (e) Are additional commitments being offered within the context of Article XVIII of the GATS (annexes, reference papers)?
 - (f) What are the new commitments being offered in mode 4 both at the horizontal level and at specific sectors?
 - (g) Are there new classifications being used in the offers and, if that is the case, what degree of acceptance does the existing classification have amongst the Members
 - (h) Is there any commitment to reduce the MFN exemptions?

5. In relation to the second category of questions (analytical questions):
 - (a) Does the offer include modifications that may be understood as merely technical adjustments or corrections?
 - (b) Does the offer incorporate new liberalization commitments or does it merely aim to bind existing liberalization?
 - (c) Could certain aspects of the offer be understood as going back on previous commitments and, if that is the case, to what extent it is so?
 - (d) To what extent does the offer incorporate new specific commitments that facilitate the increasing participation of developing country Members in world trade relating to the liberalization of market access in sectors and modes of supply of export interest to them?
 - (e) To what extent does the offer incorporate the initial requests presented by developing countries, including those aspects relating to the elimination of economic need tests or matters related to domestic regulation of particular interest for them (transparency and due process in the case of granting of visas for the temporal entry of service providers, or elimination of burdensome licensing procedures and requirements)?
 - (f) What other development aspects are included in the offers presented relating to the strengthening of the domestic services capacity of developing countries and its efficiency and competitiveness on trade in services or to the improvement of their access to distribution channels, information networks and transfer of technology?
 - (g) To what extent does the offer take into consideration the particular needs of small service providers as mandated in paragraph 15 of the Guidelines and Procedures for the Negotiations on Trade in Services?

6. The third category of questions is referred to the evaluation that each Member should undertake individually according to its particular interests and commercial priorities:

- (a) Does the offer have a commercial value in an economic sector of importance for the exporting developing country Member, based on their current situation or on their future potential? Would it be reasonable to expect a real economic benefit or advantage immediately or in the long term derived from that offer?
- (b) What is the economic importance of the offer for the importing Member?
- (c) What are the market conditions and the competition situation in the sector or sub-sector where the offer is being made (are there subsidies, situations of unfair competition, advantages offered to other Members under economic integration agreements or mutual recognition agreements, etc)?

7. We believe that by sharing this approach we may help other developing countries carry out their own individual assessment of the initial offers presented, in the context of the objectives established in Article IV of GATS. The idea is not to question individual offers at the multilateral level. On the contrary, we are of the view that the answers to the questions described above will provide guidance that will allow developing countries and developed countries to undertake a collective, objective and systematic evaluation of the progress in market access negotiations, by exchanging information, identifying concrete problems that are common to developing countries and exploring ways and means to address those legitimate concerns. The set of questions is not exhaustive and we believe that it could be complemented with the valuable suggestions that other Members could, eventually, provide in order to improve the efficiency of the review process.

8. To date around 30 initial offers have been presented, of which more than ten belong to developed country Members. We consider, in general, that there is still more needed in order to negotiate specific commitments of commercial significance for developing countries and to address the concrete problems that can be identified in those sectors, subsectors and modes of supply of particular interest for those countries. We recognize that this situation may be part of the normal proceedings in the request-offer process that has just entered a new phase. However, we wish to underscore that the offers presented by developed country Members should be promptly and substantially improved during these negotiations and in accordance to the review process mandated by paragraph 15 of the Guidelines and Procedures for the Negotiations on Trade in Services.
