Collective Request: Architectural, Engineering and Integrated Engineering Services

Further to paragraphs 25 through 27 of the Hong Kong Ministerial Declaration, and in accordance with paragraphs 7 and 11 (b) of Annex C of the Hong Kong Ministerial Declaration, the Mission of Canada is pleased to present the delegation of [] with a collective request in architectural, engineering and integrated engineering services on behalf of the following interested Members: Australia, Canada, Chile, the European Communities, Japan, Korea, Mexico, New Zealand, Norway, Switzerland and the United States.

This request identifies specific objectives for architectural, engineering and integrated engineering services liberalization, while recognizing the flexibilities provided for individual developing country Members in accordance with Article XIX.2 of the GATS. The aforementioned interested Members are also deemed to be recipients of this request.

In accordance with paragraph 7 of Annex C of the Hong Kong Ministerial Declaration, this collective request is intended to complement, and not supersede, the bilateral request-offer negotiations and the specificity of bilateral requests.

The Mission of Canada has the further pleasure to invite [] to participate in a plurilateral discussion of this request, which will be organized in Geneva during the Services cluster taking place from 27 March to 7 April, 2006.

Please note that twenty six other Members have received this collective request in architectural, engineering and integrated engineering services from the aforementioned group of interested Members, and have also been invited to this plurilateral meeting.

The aforementioned interested Members reserve the right to modify the content of this request. Additional interested Members may also be identified in the future.

Any comments regarding this request, including written questions of a technical nature in advance of the plurilateral meeting, may be addressed to:

Kendal Hembroff International Trade Canada (613)995-1714 kendal.hembroff@international.gc.ca

1. Introduction

Architectural, engineering and integrated engineering services represent key sectors for international trade in services. Liberalization of trade in architectural, engineering and integrated engineering services carries particular benefits for developing countries, which often benefit from spontaneous technical knowledge transfer among firms and individuals, including through voluntary training courses and on-the-job training.

Recognizing that linkages often exist between architectural, engineering and integrated engineering services and other related sectors, requesting Members wish to note that liberalization of trade in architectural, engineering and integrated engineering services may contribute to liberalization of trade in related sectors such as construction services, environmental services and energy services.

While issues related to recognition of an individual's education or experience obtained, requirements met, or licenses or certifications do not fall within the purview of the current market access negotiations on services and therefore do not fall within the context of this request, we wish to take this opportunity to recognize the role which recognition can play in facilitating the mobility of professionals such as architects and engineers.

We also wish to acknowledge the importance to architectural, engineering and integrated engineering services of ongoing work to develop disciplines on domestic regulation pursuant to the mandate under Article VI:4 of the GATS and paragraph 5 of Annex C of the Hong Kong Ministerial Declaration before the end of the current round of negotiations.

2. Sectoral Coverage

We are requesting that commitments be taken with the widest possible sectoral coverage:

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1.A.d Architectural Services (CPC 8671)

This sub-sector covers the following sub-sectors: (i) advisory and pre-design architectural services; (ii) architectural design services; (iii) contract administration services; (iv) combined architectural design and contract administration services; and (v) other architectural services.

1.A.e Engineering Services (CPC 8672)

This sub-sector covers all engineering services except integrated engineering services. These cover: (i) advisory and consultative engineering services; (ii) engineering design services for the construction of foundations and building structures; (iii) engineering design services for mechanical and electrical installations for buildings; (iv) engineering design services for the construction of civil engineering works; (v) engineering design

services for industrial processes and production; (vi) engineering design services n.e.c.; (vii) other engineering services during the construction and installation phase; and (viii) other engineering services.

1.A.f Integrated Engineering Services (CPC 8673)

This sub-sector covers engineering services related to turn-key projects which are: (i) integrated engineering services for transportation infrastructure projects; (ii) integrated engineering and project management services for water supply and sanitation works turnkey projects; (iii) integrated engineering services for the construction of manufacturing turnkey projects; and (iv) integrated engineering services for other turnkey projects.

2. Specific Commitments

In order to achieve a progressively higher level of liberalization of trade in architectural, engineering and integrated engineering services, we are requesting that recipients of this request make new or improved commitments which include the following elements:

For 1.A.d. Architectural services, 1.A.e. Engineering services, 1.A.f. Integrated Engineering Services:

- Commitments which include all sub-sectors listed under Architectural services (CPC 8671), Engineering services (CPC 8672), and Integrated engineering services (CPC 8673).
- Commitments for all four modes of supply:
 - Modes 1 and 2: We request that recipients of this request make meaningful Mode 1 and 2 commitments which aim, to the greatest extent possible, to reduce or eliminate restrictions such as commercial presence requirements; nationality/citizenship requirements and residency requirements. Members should seek to eliminate such requirements or replace these requirements with less restrictive measures such as collaboration with locals, bonding requirements to ensure recourse and agreements on cross-disciplinary actions.
 - Mode 3: meaningful Mode 3 commitments which aim, to the greatest extent possible, to eliminate or substantially reduce restrictions such as restrictions limiting types of legal entity with a particular emphasis on discriminatory restrictions; restrictions limiting the participation of foreign capital; limitations on the establishment of joint ventures; nationality/citizenship requirements; and residency requirements.
 - Mode 4¹: commitments for all categories with a special emphasis on contract service suppliers including independent professionals which include "architects"

¹ For this element, the United States is not a requesting Member, but shall be deemed a recipient.

and "engineers" or the architectural, engineering and integrated engineering services sectors. Members should aim to remove or substantially reduce economic needs tests. Where economic needs tests are maintained, we request that Members ensure that scheduling of any remaining economic needs tests adhere to the Scheduling Guidelines pursuant to the Decision of the Council for Trade in Services adopted on 23 March 2001.

- We also request that Members eliminate any current MFN exemptions for architectural, engineering and integrated engineering services.
- Finally, we are requesting that Members give due consideration to ensuring clarity, certainty, comparability and coherence in the scheduling and classification of commitments through adherence to, *inter alia*, the Scheduling Guidelines pursuant to the Decision of the Council for Trade in Services adopted on 23 March 2001. In particular, we would encourage Members to remove any limitations such as qualifications requirements and procedures which have been incorrectly scheduled under either the market access or national treatment columns.