



GLOBAL SERVICES COALITION STATEMENT:

Objectives for WTO Services Negotiations

We are aware that the WTO Council on Trade in Services in Special Session has authorized its Chairman, Ambassador de Mateo, to prepare a text stating the level of ambition for the services negotiations, and dates for new services offers. We believe the text should signal convincingly that the goal is to obtain the maximum number of bindings and new offers in as many of the key service sectors and subsectors as possible. We would like to suggest that this text embrace the following elements:

- Services negotiations should be driven by the same level of ambition and political will as reflected in the modalities for agriculture and NAMA, given that services is one of the three market access pillars of the DDA.
- The text should report on the progress to date in services, particularly with regard to the commercial value and quality of existing offers. In addition, it should describe the progress made toward advancing liberalization in key service sectors in the plurilateral negotiations. It should also report on the progress to date on rule-making issues especially with respect to domestic regulation.
- New services offers shall be submitted that (a) bind current market access and national treatment conditions already in place and (b) provide new market access commitments that will go beyond

current market conditions to remove trade impediments and expand opportunities for new trade flow.

- To the maximum extent possible, the offers should do the following:
 - Remove foreign equity restrictions
 - Remove restrictions on the form of establishment
 - Remove prohibitions on supplying services crossborder
 - Remove restrictions on movement of natural persons
 - Remove nationality requirements
 - Ensure that no competitive advantages are provided to government entities or entities otherwise subsidized, sponsored, or endorsed by a government.
 - Contain commitments on regulatory transparency
- The offers should cover modes and sectors under discussion in the plurilateral negotiations. We believe that Members of whom requests for liberalization have been made are now, thanks to the plurilateral process, fully aware of the nature of these requests and should be positioned to respond to them positively.
- Consideration could be given to mutually agreed transitional periods so as to introduce regulatory frameworks where necessary.
- These new services offers shall be submitted within 30 days of the adoption of Ag/NAMA modalities.
- The text should acknowledge the interest of developing countries and make a specific reference to liberalization in sectors of their export interest. We believe that the Doha round aim of development will be better served by a strong rather than a weak services package; services liberalization will bring tangible benefits to developing countries, in particular in the infrastructure services of the economy, provided that the conditions are ripe for the investors. The text however must avoid formulations that might

encourage WTO Members to offer liberalization in one sector as a means of avoiding liberalization commitments in other sectors.

- Without in any way prejudicing the future level of ambition, the text should support early introduction of domestic regulation disciplines that would commit all WTO members to make their regulatory process at least more transparent. The text should recognize the need for an on-going agenda of further negotiations in this area.
- Finally, there is a need, including if credibility with business is to be rebuilt, for a visible mechanism to facilitate and showcase developments in services. We strongly support the organisation of a “signalling” conference, convened by the WTO Director-General with Ministers of the Members engaged in the plurilateral negotiations. The purpose of the conference should be to allow Ministers to indicate specifically how they plan to respond to the above elements in their new services offers. The signalling conference should be convened at the time of the adoption of modalities for Agriculture and NAMA, in order to reestablish and take advantage of linkages among the three sectors.
- Subsequent to the signaling conference, there should be an evaluation process by which offers can be analyzed. In the absence of other benchmarking instruments, the extent to which offers satisfy plurilateral requests could provide one means by which to evaluate their quality.

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