

Council for Trade in Services Special Session
29 & 30 September 2005
Item 2F: Review of Progress in the Negotiations

Complementary Approaches to GATS Negotiations
Statement by Antigua and Barbuda, Dominica, Grenada, St. Kitts and
Nevis, St. Vincent and the Grenadines, Barbados and Jamaica

- (1) This statement is made on behalf of Antigua and Barbuda, Dominica, Grenada, St. Kitts and Nevis, St. Vincent and the Grenadines, Barbados, and my own country, Jamaica.

Our review of progress at this juncture of the services negotiations requires that we place on record our growing concern regarding the alternative approaches to the negotiations that have been developed and circulated over the past weeks.

I would first of all take this opportunity Chair, to request that the statement made last Thursday evening at the Informal Session by Antigua and Barbuda on behalf of several Caribbean countries, be placed on the record of this meeting.

- (2) Further to that statement Chair, and considering some of the comments that we have heard in defence of the complementary approaches, the above-mentioned countries wish to underscore our understanding that any approach to achieving a higher level of liberalisation as mandated by the GATS, must also explicitly provide for :-

- Recognition that the process of liberalisation should take place with due respect for national policy objectives and the level of development of individual Members both in overall and individual sectors
 - Liberalisation of market access in sectors and modes of supply of export interest to developing countries, and
 - The provision of appropriate flexibility for individual developing country Members to open fewer sectors, liberalize fewer types of transactions, progressively extend market access in line with their development situation, and when making access to their markets available to foreign service suppliers, attaching to such access conditions aimed at achieving the objectives referred to in Article IV.
- (3) Flexibility is therefore a key component of the level of liberalisation that we seek to undertake through the identification of our own priorities and objectives in successive rounds of negotiations.
- (4) As we have previously alluded, little of these flexibilities is reflected in the proposals that we have seen to date. Rather what has been outlined appear to undermine the flexibility, “individuality” and “policy space” provided in the other provisions of Article XIX, as well as that of Article IV, by mandating developing country members, particularly small vulnerable economies, to adopt a pace of liberalisation as defined by targets, that would be inimical to their interests.
- (5) The proposals do not account for the diversity of countries and size of economies, nor do they consider the fact that small vulnerable

countries are unable to undertake the same pace of liberalisation as other members. Again, the principle of special and differential treatment and the “individuality” of the GATS are ignored.

- (6) We believe that what is required at this stage of negotiations en route to Hong Kong, is the exercise of political will to increase market access opportunities in sectors and modes of export interest to developing countries, particularly in Mode IV.**
- (7) Furthermore, we strongly urge that any complementary approaches that are to be devised should strongly reflect the above mentioned features, be in line with the Doha mandate, the Guidelines and Procedures for the Services Negotiations and Annex C of the General Council Decision of August 1, 2004.**
- (8) This issue is of significance to our countries, particularly in light of the fact that the service sector is the largest sector of our economy, in some cases accounting for more than 80% of total GDP and employment, and 85% of trade. We cannot lose sight of this especially after a number of us have already lost so much in agriculture.**
- (9) In the area of rules negotiations, Mr. Chairman, we underscore the importance of making progress, especially in light of the desire by many members to advance rapidly in market access.**
- (10) Against the background of the foregoing comments, Mr. Chairman, the co-sponsors of this statement are therefore unable to endorse the proposed complementary approaches as being any basis for modalities that could be pursued in Hong Kong at the Ministerial, or during the post-Hong Kong negotiating time period.**

- (11) The framework for Hong Kong and for post Hong Kong is set in the present mandate and this is what we should be concentrating on now, instead of creating additional legs that instead of enhancing the pace of operationalization, further slow us down and distract us from the real issues. In the time available we should focus on the real negotiations and in this context on existing modalities, and especially on enhanced responsiveness to the export interests of developing countries.
- (12) We reiterate our position that during this development round, at a minimum, more attention should be paid to ensuring that developing countries become the major beneficiaries of the services negotiations, and not the developed countries who already account for 80% of global services exports. It is obvious that the proposals referred to earlier seek to re-interpret the GATS in a manner that would roll back the gains negotiated by the developing countries whilst seeking to increase market access for developed countries.
- (13) Mr. Chairman, we are committed to the success of the services negotiations and look forward to working with all delegations in order to ensure that we arrive at a mutually beneficial result.

29 September 2005