

**Council for Trade in Services
Special Session**

**STATEMENT OF THE CHAIRMAN OF THE COUNCIL FOR
TRADE IN SERVICES TO THE GENERAL COUNCIL**

6 December 2001

1. Since the last report to the General Council, the Council for Trade in Services in Special Session held one formal meeting, from 3 to 6 December 2001.
2. Ambassador Amorim of Brazil was unable to chair the meeting and, in accordance with the Rules of Procedure, I was elected by the Council for Trade in Services as interim Chairperson for the December meeting and for the one scheduled for March ¹. I am therefore reporting on the December session.
3. With respect to the assessment of trade in services, two new submissions were tabled, by two groups of developing countries, in documents S/CSS/W/114 and 132 respectively. In addition, the Council discussed a note it had requested from the Secretariat, containing a list of issues that Members might wish to take into consideration when conducting their own assessment. The outline of a symposium on the assessment of trade in services was also discussed, and the Secretariat produced a revised draft, taking into account Members' comments. The draft outline was adopted, and it was agreed that the symposium would be held within the March cluster of services meetings. Many delegations stressed the importance they attached to the assessment, which is an on-going exercise. It is understood that Members have to conduct their own assessment, but also think collectively about the issue. Further work would provide Members with an opportunity to engage and give direction to their position in the negotiations.
4. Under the item on the treatment of autonomous liberalization, two new proposals were submitted, one by the Republic of Korea and one by a group of developing countries, which were useful contributions to the discussion. While the treatment of autonomous liberalization is a complex issue, with a number of pending questions, there was widespread and shared will in the Council to make progress. As a basis to advance work, Members asked the Secretariat to prepare a note for the March meeting of the Special Session, building upon an earlier Secretariat Note in document JOB(01)/141 and approximating Members to conclusions on criteria and modalities for the treatment of autonomous liberalization.
5. With respect to the discussion of negotiating proposals, new submissions were tabled by a group of developing countries, the Republic of Korea, New Zealand, Colombia, Costa Rica and the MERCOSUR countries. Members addressed the horizontal issues identified, the movement of natural persons and all the sectors covered in the negotiating proposals. In order to focus the debate on the important issues raised, Members structured their interventions around 5 elements: classification issues; market access and national treatment commitments; regulatory issues; issues related to the

¹ Ambassador Jara of Chile was elected by the Council for Trade in Services as interim Chairperson.

implementation of Article IV; and any other issues, including MFN exemptions. A Secretariat Note on Economic Needs Tests was also introduced, and it was decided that the issue would be taken up as an additional horizontal issue at the next meeting.

6. As for the organization of further work, Members decided, without prejudice to what might be agreed by the Trade Negotiations Committee, not to hold an additional meeting of the Special Session in February, but to meet, as agreed, in March 2002. The Council will face a heavy workload in March, when the Special Session will address the assessment of trade in services, the treatment of autonomous liberalization and existing as well as any new negotiating proposals, using the same organisational structure adopted for the December meeting; the Council's review of progress made in the negotiations, as agreed at the March 2001 meeting, will also take place in March. In addition, the March agenda will include an item on the organization of future work. This will of course be addressed in the light of decisions taken by the TNC. I will be holding informal consultations in that regard in due course. The meeting of the Special Session did not provide a clear sense of direction with respect to issues that might be usefully referred to the relevant subsidiary bodies for a more technical discussion. It has therefore been agreed that the Chairpersons of those bodies be invited to hold consultations in that respect, and I will be seeking their advice on the issue. The participation of developing countries, and particularly of least-developed countries, in the negotiations is a concern that will be considered very seriously, also in light of the 30 June 2002 benchmark for the submission of initial requests, an issue that will form part of my consultations.

7. The Council also took note, for purely logistical purposes, of a notional schedule of services meetings for 2002. In addition to the March cluster, scheduled from 11 to 22 March, meetings could be held around the following dates: 27 May to 7 June; 15 to 26 July; 21 October to 1 November; 2 to 13 December 2002.
