

# WORLD TRADE ORGANIZATION

RESTRICTED

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## **Council for Trade in Services**

### COOPERATION BETWEEN THE INTERNATIONAL TELECOMMUNICATION UNION (ITU) AND THE WTO

#### Background Note by the Secretariat

1. The issue of a possible cooperation agreement between the WTO and the International Telecommunication Union has been formally considered in the ITU and informally raised by the Secretariat of the ITU with the WTO Secretariat.
2. In June 1995, at its annual meeting, the Executive Council of the ITU adopted a recommendation that the Secretary General of the ITU undertake negotiations on a possible cooperation agreement between the ITU and the WTO. At the ITU Executive Council meetings in 1996 and 1997, the Secretary General reported to the Council that although there had been numerous contacts and collaboration with the WTO, the demands of the negotiations on basic telecommunications on the WTO Secretariat had made it impossible to engage in detailed discussions on a cooperation agreement. With the end of the negotiations on telecommunications, the ITU has renewed its interest in discussions with the WTO on the possible elements of such an agreement.
3. A good working relationship has been established between the two organizations and at the level of the Secretariats. During the Uruguay Round, the ITU was invited as an observer to meetings of the GNS sectoral testing exercise on trade in telecommunications services (1989) and of the GNS working group on telecommunications (1990) which reviewed the draft services agreement and negotiated the Annex on Telecommunications. In 1991, an ITU High Level Committee charged with making proposals concerning restructuring of the ITU, recommended that this close cooperation should continue, and that when the Uruguay Round was concluded an agreement should be reached setting out GATT's and the ITU's complementary roles and how the two organizations should work cooperatively. In 1994, the strategic plan for the ITU (1995-1999) adopted at its Plenipotentiary Conference in Kyoto, stressed that with the conclusion of the Uruguay Round, the examination of relations between the WTO and the ITU and the role of the latter in the regulation of international telecommunications services should be a priority.
4. Since the Uruguay Round cooperation between the two Secretariats has continued. The WTO has been granted observer status in most ITU meetings and the ITU was an observer in the basic telecommunications negotiating groups. There has also been some joint activity in the field of technical cooperation .
5. The WTO Secretariat is not authorized to enter into formal discussion of the possibility of a cooperation agreement or other formal framework governing cooperation without a mandate from Members. This would need to be given by the General Council, on the basis of a recommendation by the Council for Trade in Services. In order to permit the Services Council to consider all elements of the question, the Secretariat proposes, if the Council agrees, to submit a more detailed background paper to its next meeting.