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**MANAGING REQUEST-OFFER NEGOTIATIONS UNDER THE GATS: SURVEY OF COUNTRY
PREPARATIONS FOR THE NEGOTIATIONS**

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This paper was prepared by Julia Nielson of the OECD Trade Directorate, in cooperation with Ms. Jolita Butkeviciene of the UNCTAD Secretariat. The paper also benefits from the contribution of Mr. Tomas Valiukas of Lithuania who prepared the material on the three Baltic States. The authors also wish to thank all the governments which responded to the survey for this study.

The Secretary-General has agreed to declassify the document under his responsibility as recommended by the Working Party of the Trade Committee with the aim of bringing information on this subject to the attention of a wider audience.

The study, which is also available in French, can be found on the following website:
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MANAGING REQUEST-OFFER NEGOTIATIONS UNDER THE GATS: SURVEY OF COUNTRY PREPARATIONS FOR THE NEGOTIATIONS

Executive Summary

Trade negotiations have become the focus of unprecedented public attention and interest. Economic globalisation has heightened people's sense of the degree to which international trade affects their daily life. Accompanying this, public expectations have changed about both the level of information they want about international trade negotiations, and the extent of their input into those negotiations. Trade authorities faced with the Doha Development Agenda (DDA) have a larger task than ever before in managing the process of negotiations, from ensuring that the process of developing a national position is open and transparent, to developing genuinely whole of government positions.

Against this background, the OECD and UNCTAD Secretariats surveyed a range of WTO Members on their preparations for the current GATS negotiations in relation to intra-governmental coordination and consultation with domestic stakeholders. A questionnaire was sent to all members and observers of the OECD Trade Committee and selected economies in transition. A modified version of the questionnaire was sent by UNCTAD to selected developing countries.

This study is based on responses from 16 members and observers of the OECD Trade committee, 4 economies in transition and 13 developing countries. It thus presents a snapshot of practices undertaken by a range of WTO Members and is by no means comprehensive. Equally, as the negotiations continue, WTO Members' practices evolve; while all attempts have been made to keep the study as up-to-date as possible, it may not reflect all recent developments.

The study has three parts. Part I presents an overview of the responses received from OECD Trade Committee members and observers, and selected non-OECD countries respectively. Part II presents some observations on these responses. While not always the case, in general, mechanisms for intra-governmental coordination are more developed than those for consultation with domestic stakeholders; and, in turn, mechanisms for consultation with industry are more developed than those for consultation with other stakeholders. Industry interest in the negotiations varies, as does the level of interest by civil society. Lack of understanding of the GATS, within the government and by industry and other stakeholders, is an issue for a number of countries. Lack of resources is a major problem for developing countries.

Part III highlights some useful ideas that emerged from the survey. In terms of increasing understanding of and information about the GATS, these include the creation of WTO courses at universities; regular meetings with Parliamentarians; on-line newsletters; background briefings for journalists and inclusion of industry and NGOs in technical assistance in developing countries. For collecting the views of interested stakeholders, ideas included web-sites providing links to relevant contact persons or provision for on-line Q&A or comment on certain issues; regular public meetings and creation of database of contacts amongst industry and NGOs.

Responses to the survey are presented in Annexes.

Introduction

1. Trade negotiations have become the focus of unprecedented public attention and interest. Economic globalisation has heightened people's sense of the degree to which international trade affects their daily life. Accompanying this, public expectations have changed about both the level of information they want about international trade negotiations, and the extent of their input into those negotiations.

2. There are growing calls for greater direct involvement in trade negotiations and the WTO by a range of groups - industry, non-governmental organisations and Parliamentarians. The legitimacy of the WTO as an *inter-governmental* body relies, paradoxically, to a large extent on the credibility of *national* processes for consultation and coordination - i.e., the degree to which stakeholders feel they have a genuine opportunity to put their views. At the national level, consultations are about ensuring that the national position put forward is the best that it can be; that the necessary expertise and information has been gathered to position a country to achieve the best possible outcome from the negotiations.

3. Trade authorities faced with the Doha Development Agenda (DDA) have a larger task than ever before in managing the process of negotiations, from ensuring that the process of developing a national position is open and transparent, to developing genuinely whole of government positions. Trade authorities also need to explain the parameters of the negotiations - what's on the table, what's not - as well the process for the negotiations, from initial ambit claims through to compromise "win-win" outcomes, and the reality of linkages between different parts of the negotiating agenda. Care is also needed in managing expectations about what the negotiations can achieve. Trade agreements are not a panacea for all economic ills, and market access, while necessary, is not in itself sufficient to enable a country to participate in international trade. Equally, negotiations involve finding outcomes acceptable to all participants and compromises must be made.

4. While all negotiations have their difficulties, the GATS poses some particular challenges in terms of internal government coordination and domestic consultation:

- Services negotiations are relatively new, dating only from the Uruguay Round, and a depth of negotiating experience is yet to be built in many areas.
- The range and diversity of services sectors means that a large number of Ministries with responsibility for, and expertise in, specific sectors need to be involved in the negotiations. Many of these Ministries may know little about the GATS or WTO, and trade negotiations may be only one of many competing priorities.
- Within the GATS, each mode of supply raises quite different policy issues - e.g., Mode 1 involves discussion of the legal and regulatory frameworks for e-commerce; while Mode 4 raises issues under the purview of migration authorities, and Mode 3 raises a range of questions about the appropriate policy frameworks for foreign direct investment.
- The GATS itself is also a famously non-user friendly agreement, requiring considerable interpretation and explanation. The fundamental difference in structure between the GATT and GATS often leads to confusion on key points (e.g., national treatment is obligatory in the GATT, but subject to specific commitments in the GATS).
- Confusion and misperceptions about the GATS abound, as well as genuine concerns about the relationship between regulation and liberalisation in a fast-changing global economy. The

GATS has become increasingly controversial in some WTO Members, with consultations often taking place against a background of protests.

- There is a wide variance in the degree of business interest and involvement in the negotiations. In many countries, the services industry is less well organised than other sectors of the economy and lacks an industry association to represent services exporters.
- With significant unilateral services liberalisation having taken place in many countries in the last 5- 10 years, there can be a perception that multilateral negotiations are either unnecessary or cannot deliver market access in a commercially meaningful time frame.

5. To date, initial requests have been submitted by around 40 WTO Members, with around 15 initial offers lodged by the 31 March 2003 deadline.¹ Many WTO Members are engaging in the process of determining what, if any, sort of requests and offers it is in their national interests to make, while at the same time assessing requests and offers from their trading partners. It is thus timely to explore how different countries have approached this process, the challenges they have encountered, and the solutions or mechanisms they have developed.

6. The OECD, in cooperation with the UNCTAD Secretariat, surveyed a range of WTO Members on their preparations for the current GATS negotiations in terms of intra-governmental coordination and consultation with domestic stakeholders². The survey was not aimed at obtaining an insight into substantive policy issues, but rather into the process for developing national positions. A questionnaire³ was sent to all countries which are members and observers⁴ of the OECD Trade Committee, as well as a number of economies in transition.⁵ A modified questionnaire was sent by UNCTAD to selected developing countries. In total, responses were received from 16 OECD members and observers, 13 developing countries⁶ and 4 economies in transition.

7. The study is by no means comprehensive, but aims to present a snapshot of the practices of a range of WTO Members. Equally, as negotiations progress, WTO Members' consultation processes continue to evolve. While all attempts have been made to keep this study as up-to-date as possible, not all most recent developments may be reflected.

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1. At time of writing, offers had been submitted by Australia, Bahrain, Canada, Chinese Taipei, the European Communities and its Member States, Iceland, Japan, Korea, Liechtenstein, New Zealand, Norway, Panama, Paraguay, United States and Uruguay.
 2. The survey is being pursued as part of follow up work to "Managing request-offer negotiations under the GATS" [TD/TC/WP(2002)13/FINAL].
 3. "Follow up to 'Managing request-offer negotiations under the GATS': Questionnaire on preparations for the GATS negotiations" [TD/TC/WP(2002)30/FINAL].
 4. Country observers to the Trade Committee are: Argentina; Brazil; Chile; Hong Kong, China; and Singapore.
 5. In preparation for the OECD Meeting on the Economic and Regulatory Environment for Trade in Services in the Transition Economies, held in Paris on 14-15 November 2002, the survey was sent to the three Baltic States - Estonia, Latvia and Lithuania. Their responses to the survey were presented in document CCNM/TD(2002)16/FINAL, which was drawn upon in the preparation of the current paper. The questionnaire was also sent to a number of other economies in transition which attended the meeting, with a response received from the Former Yugoslav Republic of Macedonia.
 6. One developing country, Brazil, responded to the survey as an observer of the OECD Trade Committee and thus has been included in that section of the paper.

8. This paper has three parts. Part I presents an overview of the responses received from selected OECD Trade Committee members and observers, developing countries and economies in transition. Part II presents some observations on these responses. Part III highlights some useful ideas that emerged from the survey. Responses to the survey are presented for each group in Annexes I to III respectively. While responses received from OECD members and observers, and economies in transition took a number of forms (some answered the questions directly, others presented general information), an attempt has been made as far as possible to present this information in a broadly common format. Responses collected by UNCTAD are presented in a table form.

Part I. Overview of initial findings

(i) *Members and observers of the OECD Trade Committee*

Intra-governmental coordination

9. Almost all respondents have some type of formal structure for intra-governmental coordination on the GATS negotiations, ranging from highly sophisticated networks of advisory committees created by legislation, to simpler structures mandated by legislation or government decision, to bodies created under the aegis of the lead agency. In some cases, the consultation process is less formal, with the lead agency holding meetings as necessary to consult on positions, or with participants for consultations selected *ad hoc* on the basis of the issues to be discussed. Most respondents have a single Working Group covering all services, others also have sub-groups focusing on key service sectors. In a few cases, other Ministries also organise and operate sector-specific groups. In some cases, representatives of industry, or of the "social partners" are included in the working group, along with representatives from government ministries, or are invited to particular meetings, e.g., to assist in the preparations of requests.

10. Given the scope of GATS negotiations, and the expertise required, most intra-governmental consultation processes include a wide range of other ministries. In many cases, the lead agency selects which other ministries are included in formal consultation groups, but the general impression is that this is an inclusive, rather than exclusive, exercise. In some cases, other Ministries designate GATS contact persons. Many countries also include representatives from other Ministries in their delegations to WTO Services Week meetings. In a number of cases, regulators are included in working groups, although often the regulator is the responsible Ministry; independent regulators are sometimes, but not always, included. While meetings are held regularly, usually before and after WTO Services Week meetings, *ad hoc* contact via email and telephone remains very important. Most respondents reported considerable ongoing informal contact between relevant Ministries.

11. In most cases, the nature of consultation depends upon the particular issue under discussion. In most, but not all, cases, position papers are drafted by the lead agency; in some cases they are drafted jointly with other relevant Ministries, or solely by the relevant Ministry. Use of documents by international organisations varies, with most using proposals from other WTO Members, and WTO documents, but use of material by other organisations (UNCTAD, OECD) more limited.

12. Parliamentary involvement also varies. Some respondents use special processes, such as regular (thrice annual) information meetings for parliamentarians; regular meetings between the Trade Minister and relevant parliamentary committees; preparation of regular reports on progress in the negotiations, and regular briefings. In the United Kingdom, Ministers have written on several occasions to all Members of Parliament to provide information and background papers on trade issues. In other cases, existing channels for parliamentary oversight are used, such as (oral or written) questions, or hearings. Where there is no ongoing mechanism for parliamentary consultation, the outcome of the negotiations is nonetheless subject to approval by parliament.

13. Countries with federal systems all have regular, formal mechanisms for consulting sub-federal authorities. Canada has a special Federal-Provincial-Territorial Committee on trade, which meets quarterly to exchange information and develop positions. The United States uses single points of contact in each sub-federal authority and a representative consultative body of state and local government officials. Australia includes sub-federal authorities in a general national consultative body on trade (which also includes peak industry and union bodies). In Switzerland, a single representative of all sub-federal authorities is included in the working group for the services negotiations (consultations are also held with individual sub-federal authorities as required). Austria and Germany hold regular consultations with regional governments and, in the United Kingdom, consultations and briefing meetings are held with the devolved administrations in both Scotland and Wales. Overall, the nature of consultations is determined to some extent by the nature of the shared competence between federal and sub-federal authorities.

14. Some countries also reported consultations with local and municipal authorities. In the United Kingdom, meetings are held between the Department of Trade and Industry and the Local Governments Association, and representatives of local government authorities are included in the Trade Policy Consultative Forum. In Canada, the Department of Foreign Affairs and Trade and the Federation of Canadian Municipalities have created a joint working group on international trade. New Zealand also identifies local governments as a key stakeholder for consultations.

Consultation with other stakeholders

15. There is considerable variation in terms of the type of consultation mechanisms used for other stakeholders. Some countries have highly formal systems for consultations, with legislatively mandated fora and groups. Others have more informal structures, developed on an *ad hoc* basis. Others use existing networks and groups to consult across sectors and issues.

Industry

16. All respondents have some form of consultation with industry. In some cases, industry representatives are included in government consultation bodies (see above), in others, there are separate consultations. A number of countries have mixed advisory groups including industry, unions, NGOs and experts/academics. Others have more formal consultation with industry, such as regular meetings of industry advisory bodies and sectoral advisory groups. In the United States, industry advisory bodies are legislatively mandated, with participants selected on the basis of their special interest in, and knowledge of, international trade issues and including persons from major companies. Other countries have no formal structures, but hold regular meetings with industry.

17. Some countries consult industry regularly, others on an as required basis. *Ad hoc* contacts, including targeted emails and phone contacts, are important, even where formal structures exist. Some consultations take the form of general briefings, others are a more formal dialogue process. Industry briefings and meetings are also sometimes convened by other Ministries.

18. Consultations are often based on government or industry position papers. A number of countries consult industry in the preparation of national position papers, in identifying trade barriers (e.g., via questionnaires) and in preparing initial requests and offers.

19. Consultations usually involve industry groupings or associations; individual companies are less frequently included. However, many respondents do not have a national coalition of services industries. Foreign investors, individual companies and downstream users of services industries (including goods exporters) are also sometimes included in consultations. Most consultations are limited to invitees, but in some cases participants can self-select.

20. The level of industry interest varies, with some countries finding it difficult to attract sufficient industry interest in, and attendance at, GATS consultations, even where multiple or open invitations are issued. Their perception is that industry does not see the relevance of GATS negotiations, or does not see them as sufficiently important to warrant the allocation of scarce resources. However, in other countries, industry is actively engaged and increasingly taking the initiative to make its views known to the government.

Other stakeholders

21. Most, but not all, countries conduct some form of consultation with stakeholders other than industry, and, in general, consultation processes are less formal than for industry. While industry consultations are more formal, they are generally limited to invitees; consultations with other stakeholders are less formal and participants often self-select. However, a few countries hold some invitation-only consultations. Most consultations include NGOs and unions, with some including experts/academics and, less frequently, consumer groups and interested members of the public.

22. A number of respondents hold combined consultations with business and civil society groups. In some cases, NGOs and civil society representatives are included on national trade advisory bodies, with trade unions more likely to be included than NGOs. Some countries hold regular meetings with, or briefings for, NGOs; others hold meetings as necessary and others not at all. Invitees are usually determined by the issues to be discussed, with participants generally self-selecting or chosen by NGOs themselves from amongst their peers. In a number of countries, the GATS is the subject of increasing interest from a range of groups which increasingly take the initiative to make their views known to the government, including via electronic media.

23. Consultations are generally based on briefings by the lead agency and background papers, including by civil society groups. These consultations are more focused on seeking views and are often based on material provided by participants. Some countries organise "town hall meetings" or information sessions across the country, or release consultation documents and call for public submissions. Other mechanisms include electronic newsletters; participation by government officials in NGO seminars; briefings for journalists; and preparation of fact sheets, speeches and publications.

24. A number of countries make extensive use of web-sites to provide general information and make available a range of documentation, including, in some cases, minutes of consultation meetings. Some countries have advanced consultation features on their web-sites, including contact lists and links on particular issues and Q&A pages (including allowing questions or comments to be lodged on-line). Canada's web-site includes an on-line consultation facility, with participants invited to lodge their views on a given issue on-line by a certain date.

25. Additionally, a number of countries are making their initial negotiating requests and offers public. Canada released its negotiating requests, while Australia, the European Communities and the United States released summary versions. Australia, Canada, New Zealand and the United States have now made their initial GATS offers public, while Japan has released a summary of its offer.

(ii) *Selected non-OECD countries*⁷

Intra-governmental coordination

26. All respondents have a lead agency for the WTO and/or GATS negotiations, along with Working Groups to help co-ordinate government positions for the negotiations. The majority of these Working Groups handle several services sectors at the same time. Governments also schedule regular meetings between relevant Ministries, establish *ad hoc* contacts between officials within relevant Ministries and use electronic communications.

27. Intra-governmental consultations are mainly based on briefings by the lead agency and background papers, while the co-ordination process between Geneva and Capital includes reports, feedback and relevant minutes of meetings sent from Geneva to Capital and the sending of representatives from Capital to Geneva. Mauritius invites officials from Geneva, on an *ad hoc* basis, to brief meetings held in Capital. Fiji and Namibia use their representation in Brussels to cover WTO issues.

28. The main issue encountered in this co-ordination process is lack of resources and understanding of the GATS. Respondents did not report any highly successful steps taken to address these issues.⁸ Steps taken which had a medium level of success are initiatives taken by the lead agency, requests for international co-operation, the organisation of seminars and workshops, and having relevant government agencies attend WTO meetings.

29. Most countries do not have regional cooperation arrangements. Of the three which have, two find regional cooperation beneficial.

30. The responses highlight the need for more technical assistance in the area of GATS, as well as the need for increased and sustained funding for the training of relevant officials on GATS negotiations. Technical assistance is seen as beneficial, while the lack of resources is contributing to the lack of understanding of the GATS. Countries are also finding it difficult to assess and evaluate the impact of services liberalisation due to lack of capacity and lack of information and studies on their relative strengths and export potentials.

Consultations with other stakeholders

31. All countries have a process for consultation with industry, conducted mainly through *ad hoc* contact with government officials and regular meetings or briefings. All involve industry associations in the consultation process. Some countries also consult national bodies representing the services industry, representatives of foreign firms established in the local market, non-governmental organisations, consumer groups, trade unions, interested members of the public and academic and research institutions. Draft national position papers and negotiating proposals from WTO Members are used as the basis for consultations. Some countries also rely upon background papers drafted by government Ministries and inputs from industry.

32. Issues encountered include lack of resources, lack of co-operation from service sectors, lack of understanding of GATS from domestic stakeholders and problems identifying service sectors of export interest. Steps taken to address these issues that are meeting with a high level of success include training seminars and workshops, while coordination meetings have a medium level of success. The following initiatives are least successful: private sector workshops, written consultations with different sectors on

7. Material in this section is provided by UNCTAD.

8. Respondents selected the answer in the scale of "high, medium, low".

market access and national treatment barriers, awareness and sensitisation programmes, research and services sector assessment, seeking cooperation from service sectors and requesting for budgetary supplement. One interesting initiative is the launch by Mauritius of a specialised course on the WTO at the University of Mauritius.

33. The above concerns highlight the urgent need for technical assistance, in particular for activities relating to increasing the stakeholders' awareness of GATS, training the negotiators in GATS negotiations, as well as undertaking studies on the specific country's export potential. Some countries also highlight problems arising from the lack of officials dealing with GATS issues, as well as the difficulty of consulting with a wide variety of sectors in the absence of a coalition of service industries and/or a lack of cooperation and interest from industry.

34. In terms of initiatives to respond to this need for technical assistance on the GATS, seminars and workshops have proven highly successful in increasing awareness and understanding. However, there is greater need to intervene in areas which would improve the negotiating position of countries, for example, by training negotiators and conducting studies on relative strengths of these countries in the area of services trade.

35. A coalition of the services sectors would also help in coordinating and focusing the efforts of a Government in the area of GATS. By implementing a body or office to handle services, a Government is also more able to ensure the continuity of knowledge in the area of GATS, as well as concentrate efforts and expertise on ways to assess and evaluate the impact of services. This body would also be instrumental in encouraging and participating in a regional co-operation effort.

36. While there is minimal cooperation at the regional level for the countries included in this study, such co-operation is important for the protection of the interests of developing countries, enabling them to pool their minimal resources to reap greater benefits. Regional co-operation should be encouraged, if not formally, at least informally, for countries to be able to more effectively share information on the problems faced and strategies pursued in this round of services negotiations.

(iii) *Economies in transition*⁹

Intra-governmental coordination

37. In all three Baltic States, the Ministry of Foreign Affairs is the institution responsible for overall co-ordination of the WTO negotiations. In Estonia and Latvia, GATS-related issues are handled by the Ministry of Economic Affairs; in Lithuania, they fall under the competence of the Ministry of Foreign Affairs. In the Former Yugoslav Republic of Macedonia, the lead agency is the Ministry of the Economy.

38. All respondents have an intra-governmental body for co-ordinating preparations for the negotiations. In Latvia, the Consultative Board holds regular meetings. In Lithuania, the Permanent Commission, including representatives from 29 governmental institutions, acts mostly on *ad-hoc* basis. In Estonia, there is a delegation consisting of high officials from government agencies and heads of working groups which meets on an *ad hoc* basis. In the Former Yugoslav Republic of Macedonia, one coordinating body covering all services, comprised of officials from all relevant ministries and government agencies, meets on a regular basis.

9. Material in this section on the Baltic States is drawn from "Experience of the Baltic States in managing multilateral negotiations on trade in services" [CCNM/TD(2002)16/FINAL], prepared by Mr Tomas Valiukas from Lithuania.

39. In Estonia and Lithuania, parliamentary involvement in consultations is limited to briefings to relevant parliamentary committees provided by the government. Latvia does not have parliamentary involvement in consultation procedure. In the Former Yugoslav Republic of Macedonia, the parliament approves the results of negotiations contained in legislation.

Other stakeholders

40. In general, the mechanism for consultation with other stakeholders is less formal than for intra-governmental coordination. While the structure of consultations with industry as well as intra-governmental coordination is heavily influenced by the nature of specific issue for negotiation, the complexity of the questions involved and the objectives to be achieved, unofficial networks remain very important in both cases.

41. In Estonia and Lithuania, individual business operators, as well as industry associations, participate in the preparatory work. In Latvia, business sector involvement is limited to industry associations. All three Baltic States indicated a lack of interest in the GATS negotiations from their domestic stakeholders. All also rely heavily on unofficial *ad-hoc* contacts in consulting with industry, as does the Former Yugoslav Republic of Macedonia.

42. Stakeholders other than representatives of government and business institutions have little, if any, impact on the preparatory process for negotiations in Estonia and Latvia. Meanwhile, in Lithuania a private non-profit organisation (Lithuanian Free Market Institute) serves as a relay to the government to communicate its policy objectives and obtain a feedback from the public at large. The Former Yugoslav Republic of Macedonia uses *ad hoc* consultations and email to consult NGOs, consumer groups and unions, but is hampered by limited human resources, lack of funding and lack of sophisticated communication equipment. By contrast, the Baltic States heavily rely on information technologies. Estonia and Lithuania have informative web sites on the WTO related issues, containing contact details of persons to whom questions can be referred. E-mail communication is used widely in all three Baltic States.

Part II. Some observations

43. This section presents some initial observations about the findings in the survey. All caveats applying to the survey - in terms of being a snapshot only of the practices of selected WTO Members - also apply to these observations.

Intra-governmental coordination

- Most countries have some form of working group for the services negotiations, although only some countries have additional groups for specific sectors. Some developing countries have one working group covering all WTO negotiations.
- There is widespread recognition of the need to involve a wide range of other Ministries in the consultations in view of their expertise, sectoral knowledge and contacts. The processes for intra-governmental coordination are generally well developed. While this is not always the case, mechanisms for intra-governmental coordination are often more developed than those for consultation with domestic stakeholders.
- However, lack of understanding of the GATS within the government is a problem for a number of countries, both developed and developing. Ministries other than the lead agency may also not rank the negotiations high against many other competing priorities.

- Developing countries in particular face problems with the limited number of officials working on GATS or WTO issues and the lack of resources to send representatives from other Ministries to Geneva for WTO Services Weeks. This also impacts upon their ability to accurately assess their interests in the negotiations.
- For almost all countries, informal and/or *ad hoc* direct contacts between government officials are an important part of intra-governmental coordination, even where formal mechanisms exist.
- Coordination processes between capital and Geneva, while important for all WTO Members, are particularly important for developing countries where limited resources in capital can lead to a greater reliance on the Geneva mission to contribute to the development of national positions.
- In general, intra-governmental coordination, while not without difficulties, appears to be relatively developed in most countries which responded. One issue may be that some service sectors which are highly sensitive for some countries in terms of public interest may nonetheless not be the focus of detailed and ongoing intra-governmental coordination, given scarce resources, where they are not the focus of many requests and offers in the negotiations compared with other sectors.

Domestic consultation

- Mechanisms for consultation amongst domestic stakeholders are less formal than those for intra-governmental coordination, and mechanisms for consultation with industry are generally, but not always, more highly developed than those for consultation with other groups. A few countries have general trade policy advisory groups which include both industry and NGOs, and some include industry representatives but not other stakeholders. A number of countries hold public consultations involving both industry and NGOs to expose all groups both to others' viewpoints and to the challenges faced by governments in reconciling opposing views.
- While some OECD countries have more formal systems than others, overall, consultations with industry do not vary enormously between OECD members and observers, economies in transition and selected developing countries. All have some form of consultation process with industry, involving advisory groups or regular meetings or briefings or *ad hoc* contact. However, developing countries' efforts are greatly hampered by a lack of resources.
- But industry interest varies enormously. In some OECD countries, industry is well-informed and actively engaged in the negotiations, or increasingly taking the initiative to make its views known. However, other OECD countries are experiencing difficulty attracting sufficient interest in GATS consultations, as are the Baltic States. Lack of industry interest in, and understanding of, the GATS are also major issues for developing countries. This compounds the difficulties faced by these countries in identifying sectors of interest to them in the negotiations.
- Few respondents have national coalitions of services industries. For developing countries, coalitions of the services industries could help in co-ordinating and focusing the efforts of Government and could be instrumental in encouraging and participating in a regional co-operation effort.

- By contrast, consultation with civil society varies enormously. While some OECD countries have regular formal or informal mechanisms for consultation, a number have no consultation with civil society. In the Baltic States, stakeholders other than representatives of government and business institutions have little if any impact on the preparatory process for negotiations in Estonia and Latvia. A number of developing countries hold consultations with non-industry groups (trade unions and interested members of the public), but resources are again a problem.
- Similarly, there are widely differing levels of interest on the part of civil society. Some developed countries note increasing interest by civil society groups in the GATS; indeed, some are experiencing strong anti-GATS campaigns. However, in the Baltic States, civil society has shown little interest in the GATS to date and liberalisation in general is less controversial. Amongst developing countries, there is also generally less interest by civil society groups, although this situation is evolving.
- Even amongst OECD countries, there are widely different levels of reliance on information technology. While email is widely used, only a few countries operate web-sites with contact details of persons to whom questions could be referred or on-line comment facilities. By contrast, the Baltic States actively use available modern technologies for consultations. Developing countries make more limited use of information technologies, in view of resource constraints and the often lower levels of internet access in the wider population.

General observations

- Many countries commented that consultations were "two-way", providing both an opportunity to encourage a greater understanding of the GATS and to garner important information for the negotiations. Several commented that consultation processes are kept flexible to enable a rapid response to new developments.
- Some OECD countries commented that an important focus of consultations is to raise awareness and educate people on the benefits of services trade liberalisation. However, a number of developing countries noted that, with limited resources and capacity, they find it difficult to assess and evaluate the impact of services liberalisation.
- Not unexpectedly, given the mercantilist nature of trade negotiations, consultations appear to have something of an export bias, with only a few countries including foreign investors, or downstream users of services, as well as consumers, in their GATS consultations. Messages about the benefits of services imports are as important as those about the gains from exports, but generally receive less attention.
- Some countries are making efforts to increase the level of transparency in the conduct of the GATS negotiations, by preparing consultation and information documents on the requests and offers, and by releasing their initial offers to the public. Such initiatives both contribute to, and underline the need for further initiatives to promote, greater public understanding of the services negotiations and of the GATS as an agreement.
- For all countries, consultations require considerable work. Many countries have relatively limited resources for GATS consultations given the size and scope of the issues covered. Countries try to make consultations as efficient as possible by, for example, working through existing networks and representative groups, using information

technology to disseminate information cheaply, making use of materials on GATS produced by other WTO Members or international organisations.

- For developing countries in particular, lack of resources is a significant obstacle - to holding consultations, to increasing understanding of the GATS within the government, as well as amongst industry and the public at large, and to identifying and prosecuting their interests in the negotiations. Capacity constraints are a major problem, and capacity cannot be developed overnight.
- There is a major demand in developing countries for technical assistance on GATS. Seminars and workshops are proving highly successful in increasing awareness and understanding; however, given the breadth and range of service sectors covered by the GATS, ample time and attention must be allocated. Further assistance should primarily target how the consultations may be effective in identifying national interests in the request-offer process, and how to facilitate understanding of GATS by all stakeholders in developing countries.

Part III. Some useful ideas that emerged

44. While there are some differences in the types of issues encountered - some countries have difficulty generating interest in the GATS negotiations, others are overwhelmed; some countries have to devote scarce resources to translating WTO materials, others do not - many of the basic problems of who to consult and how are shared.

45. Some interesting ideas emerged from the survey about ways to conduct consultation and coordination. As consultation is a two-way process, these are divided into two main categories: (i) ways that the government can help to increase understanding of, and information about, the GATS negotiations; and (ii) ways in which the views of interested stakeholders can be collected more efficiently and effectively. There is some overlap between the two as many mechanisms are useful for both providing information and seeking views.

46. The ideas that follow are, of course, not without resource implications, and not all ideas will be workable - or appropriate - for all countries.

(i) *Increasing understanding of, and information about, the GATS*

- Creation of WTO courses at national or local universities to develop a wider base of expertise over time and to encourage greater domestic research into national interests in, and experience of, services liberalisation;
- web-sites which include not only a wide range of GATS documentation, but which also include introductory explanatory material to make them as accessible as possible to non-trade experts;
- regular information meetings with, or information packs for, parliamentarians to keep them informed of progress in the negotiations and to answer specific questions they may have, or regular parliamentary hearings on WTO issues;
- regular newsletters, in particular e-newsletters on the services negotiations, which outline developments in the negotiations, positions that the government has taken and requests

for feedback, sent after every Services Week to all interested persons who register on the web-site.

- background briefings provided to journalists on a range of WTO issues; regular contribution of "op-ed" pieces by government Ministers to national and local newspapers;
- holding of seminars on GATS for officials from other Ministries involved in the negotiations;
- preparation of consultation documents on the GATS requests and offers which explain both the process and what's on the table for specific, key sectors;
- technical assistance seminars in developing countries including representatives of industry and NGOs as well as government.

(ii) *Collecting the views of interested stakeholders*

- Creation of a database of contacts amongst industry and NGOs at the lead ministry;
- web-sites which provide an overview of the role of different government agencies and links to relevant contact data or addresses for feedback;
- web-sites featuring a mechanism for on-line comment, where interested members of the public can submit their views on a given issue on-line (and see the views of others), with deadlines for input on given issues;
- web-sites which provide a Q&A link where questions can be posted, along with replies received;
- regular (every 6 week) meeting of consultative group on WTO open to all interested groups able to attend it on a regular basis;
- public meetings held outside the capital where government officials provide information and hear a range of views on negotiations (with junior officers present to take notes and prepare reports to ensure wide dissemination of views received);
- collection of information on trade barriers via questionnaires sent to national companies operating in major international markets via the network of embassies and missions;
- preparation of consultation documents on requests and offers, including calls for public submissions and responses.

47. The following section provides the responses from the countries involved. The responses are generally a summary and interested persons may wish to follow up on detail directly with individual Members. While this survey provides only an initial glimpse of Members' practices and preparation, it is hoped that it might provide some useful insights, in particular for other WTO Members engaging in the same process.

ANNEX I. RESPONSES FROM MEMBERS AND OBSERVERS OF THE OECD TRADE COMMITTEE

Australia

Intra-governmental coordination

48. The lead agency for the WTO negotiations is the Department of Foreign Affairs and Trade (DFAT). A broadly-based Inter Departmental Committee (IDC) has been established to manage Australia's participation in the GATS negotiations. It meets on a regular basis. There is also frequent *ad hoc* bilateral contact between DFAT and other relevant Departments on the development of policy positions/requests etc. Much communication is also done by email. Departments and/or agencies with responsibility for sectors covered by the GATS are involved in the GATS preparatory process.

49. Government processes and the nature of consultations on the GATS are the same as for any other foreign or trade policy issue. The nature of the inter-departmental cooperation and consultation will depend on what particular GATS issue is under consideration. Sectoral papers and the development of requests will inevitably be joint efforts between DFAT and line Departments.

50. Australia has a federal system of government and there are both formal and *ad hoc* contacts with State Governments on trade policy issues. Consultations with State and Territory Governments are conducted formally through the National Trade Consultative (NTC) process. The NTC process brings State and Territory Governments together with peak industry organisations and the Australian Council of Trade Unions (ACTU) to promote a partnership approach to the implementation of trade policies and strategies. These processes are also used to consult on the GATS.

51. The Australian Parliament has a broad role on all matters which come before it, although ultimate authority is vested in the executive arm of Government. The Parliament as such does not have a formal role in the GATS consultative process, but Parliamentary Committees hold hearings at which they can seek information and provide views, and there is also the Parliamentary questions process. At least two Parliamentary Committees, Foreign Affairs, Trade and Defence, and the Joint Standing Committee on Treaties, have a direct Parliamentary role in trade policy generally (the latter, when treaty-level negotiations are being considered for ratification).

Other stakeholders

52. A formal process for consultation with major stakeholders was implemented in the lead up to the WTO Ministerial in Doha. The Minister for Trade established a peak WTO Advisory Group, comprising senior industry representatives, non-governmental organisations (NGOs), trade unions and academia, to provide experts views to Government on WTO related issues, including GATS.

53. Beyond this, there are frequent contacts and consultations with peak industry associations and individual businesses as needed, including consultation and the provision of feedback during the development of sectoral proposals and initial requests. Consultations included the following stakeholders:

industry and professional peak associations, individual firms, and individual consultants and other service providers.

54. Consultations occur on a needs basis so the circumstances determine who is consulted. A general invitation to consult is also extended via various government publications, including DFAT's regular services newsletter. Increasingly, businesses take the initiative to consult and make their views known. The subject of consultations will depend on the issue under consideration and can vary from draft sectoral proposals, request and industry papers (for example) on trade barriers.

55. Consultation also takes place with NGOs, trade unions, other civil society and community groups and individuals. At a peak level civil society is represented on the Trade Minister's WTO Advisory Group. Consultation with civil society also occurs as part of a regular program of visits to the Australian States. Public submissions have also been invited at several stages of the Doha process, and regular feedback is invited to the DFAT services newsletter, which goes to a wide range of recipients. Civil society groups also use the DFAT web-site and the correspondence to the Minister for Trade to get their messages across. Specialised meetings with groups or individuals occur where this is thought to be necessary. Briefings are also provided to seek views and feedback on the basis of the relevant documents.

56. As for industry, consultations occur on a needs basis and the circumstances determine who is consulted. A general invitation to consult is extended via various government publications, including the services newsletter. Like business, civil society increasingly takes the initiative to consult and make its views known.

57. The authorities commented that Australian policy is to share publicly as much information as is practicable on the negotiations including on the sectors, coverage and nature of the commitments sought, where this would be consistent with any commercial confidentiality and does not compromise Australia's negotiating interests.

Austria

Intra-governmental coordination

58. The Ministry for Economic Affairs and Labour (BMWA) has competence for WTO matters. A Subdivision within the Centre for Foreign Economic Relations and European Integration handles and coordinates the GATS negotiations. Regular meetings are held in the BMWA in order to prepare for the EU Article 133 meetings which take place every two weeks in Brussels.

59. These preparatory meetings are open to representatives of other Ministries and various stakeholders represented by the "Social Partners".

60. The basis for discussions are mainly the internal documents drafted by the European Commission and other relevant papers from the WTO, OECD or UNCTAD, as well as the requests tabled by other WTO Members to date.

61. Consultations are also held with regional governments of the "Bundesländer" on matters under their competence. The Austrian Parliament is informed regularly about the ongoing negotiations and has the right to comment on every issue of concern. In addition, information meetings with parliamentarians take place approximately three times a year.

Other stakeholders

62. Services industries are involved in the GATS via their legal representations (Chambers of Commerce, Association a.m.). In principle they have access to all information and documents unless otherwise classified. They have the opportunity to comment on each proposal, to feed in their own positions, and to make suggestions.

63. Trade unions take part in the intra-governmental coordination meetings held by the BMWA described above. For other stakeholders, such as NGOs or "civil society", regular information meetings are organised. They have restricted access to working documents and use to a great extent electronic means to present their views.

Brazil*Intra-governmental co-ordination*

64. The lead agency for the WTO negotiations, including GATS negotiations, is the Ministry of Foreign Relations. In order to co-ordinate government positions for the negotiations, there is an Inter-ministerial Group of International Trade, Services Sub-Group (GICI-SV). This Group has taken over the role played, since 2001, by the Inter-ministerial Working Group on International Trade in Goods and Services (GICI), created by Presidential Decree on 10 June 1999.

65. The GICI-SV aims to co-ordinate the different points of view of the Ministries with interests in the negotiating process, elaborating the Brazilian position for the WTO negotiations. The Group is also in charge of the follow-up to the fulfilment of the agreements reached at the WTO.

66. The GICI-SV is chaired by the National Coordinator of Trade in Services and includes representatives of all Ministries and Federal Agencies with interests in the negotiating process and of the private sector. Representatives of all Federal Agencies, Ministries and private sector are expected to take part in every GICI-SV meeting. Depending on the matter, more specific debates can take place.

67. The Group holds regular meetings, thus providing the forum for the meetings within relevant Ministries. At the same time, there is fluent and constant contact at the technical level between relevant Ministries. Electronic communications are used when possible, i.e., when documents and papers are available in electronic format.

68. In preparation for the consultations, a vast array of documents is distributed, prepared not only by the Ministry of Foreign Affairs and the Ministry of Development, Industry and International Trade — e.g., background papers, draft national position papers, etc. — but also by the WTO, other WTO Members and other relevant organisations.

69. Parliamentary bodies are involved in consultations through provision of regular information on the negotiating process, as well as through responses to any parliamentary question or consultation.

70. The Brazilian authorities commented that the main advantage of their approach is its comprehensiveness, which ensures the legitimacy of the Brazilian positions in this matter.

Other stakeholders

71. The private sector has a permanent seat in GICI-SV. Information about negotiations is also provided to NGOs and Trade Unions.

Canada

Intra-governmental coordination

72. Canada's process for intra-governmental coordination is extensive, reflecting the federal nature of the political system, the fact that many services are regulated at the provincial level, and the active interest in trade negotiations displayed by a number of local and municipal government bodies.

73. The government maintains a close relationship with the provinces and territories in the area of international trade policy via a variety of mechanisms. Federal, provincial and territorial officials participate in the Federal-Provincial-Territorial Committee on Trade (C-Trade), which meets quarterly to exchange information and develop Canadian positions on a range of trade policy issues, including negotiations. The government also coordinates with the provinces and territories to hear from provincial officials about the Canadian negotiating position. Canada-wide consultations have been undertaken in partnership with provincial and territorial governments in an effort to ensure a more informed dialogue about the GATS and to prepare Canada's initial GATS negotiating position.

74. Municipal concerns and perspectives are also factored into the policy formulation process. The joint working group on international trade of the Federation of Canadian Municipalities (FCM) and the Department of Foreign Affairs and International Trade was created at the request of the FCM and has met on three occasions since December 2002 to discuss issues of interest and relevance to municipalities regarding trade agreements such as the GATS¹⁰.

75. In terms of Parliamentary involvement, the Standing Committee on Foreign Affairs and International Trade (SCFAIT) is composed of members of Parliament who hear directly from a wide variety of Canadians regarding the government's trade policy. SCFAIT has issued two reports including issues relating to services, covering the FTAA and WTO negotiations respectively¹¹, for which government responses have been prepared. Both reports are available on-line at <http://www.dfait-maeci.gc.ca/tna-nac/Consult3-e.asp#WTO>.

Other stakeholders

76. The Government of Canada has strongly advocated an open and transparent approach to trade negotiations and has used a broad range of consultation mechanism to seek the views of Canadians.

77. Sectoral Advisory Groups on International Trade (SAGITs) provide advice to the Minister for International Trade on federal government policy pertaining to trade. The SAGIT process entails the exchange of ideas and information between the SAGIT members and government. SAGIT members include senior business executives and individuals from industry associations, labour and environmental groups and academia, all of whom serve in their individual capacities and not as representatives of specific entities or interest groups. There are 12 active SAGITs representing various industry sectors, including a Services SAGIT. Input on GATS negotiations is sought from all relevant SAGITs.

78. In addition, multi-stakeholder consultations are held on an ongoing basis with the participation of individuals representing a broad range of interests, including business, labour, environmental, human

10. The government's reply to the questions raised in the FCM document *Municipal Questions Respecting Trade Agreements* can be found at <http://www.dfait-maeci.gc.ca/tna-nac/fcm-e.asp>.

11. *The Free Trade Area of the Americas: Towards a Hemispheric Agreement in the Canadian Interest*, October 1999; Government Response, March 15, 2000. *Building an Effective New Round of WTO Negotiations: Key Issues for Canada*, May 2002; Government Response to be released in, October 3, 2002.

rights, international development, academic, consumer, youth and gender groups. The purpose of these consultations is to identify common ground on horizontal aspects of Canada's trade agenda and to seek ways to enhance the process of engaging Canadians.

79. At the regional level, consultations undertaken in partnership with provincial and territorial governments to promote an informed dialogue about the GATS and to prepare Canada's initial GATS negotiating position have also included local business groups and local non-governmental organizations.

80. More broadly, a notice on Consultations on Trade in Services Negotiations was published in the *Canada Gazette* on July 29, 2000, inviting Canadians to submit their views on several services-related topics. Examples of issues for discussion included trade barriers (including regulatory measures) that Canadian service providers may be encountering abroad or concerns with Canadian laws, regulations, policies or practices that other countries may press their governments to raise with Canada during GATS negotiations.

81. Extensive use is also made of information and communication technology in the consultation process. There are also ongoing on-line consultations where all interested Canadians are invited to provide their comments and views on the issues, via the Services 2000 website (<http://strategis.ic.gc.ca/SSG/sk00125e.html>). Other websites (<http://www.dfait-maeci.gc.ca/tna-nac/service-e.asp>; <http://services2000.ic.gc.ca>) also provide opportunity for feedback, as well as providing information on specific consultation initiatives and on the negotiations (including links to Canada's negotiating proposals on the latter site). Other sites by Industry Canada and Finance Canada provide information on Canada's services economy as a whole, specific service sectors, and the role of Finance Canada in negotiating and monitoring trade agreements. Additionally, twelve e-mail based surveys on a variety of topics were undertaken in 2001, and information was collected from approximately 1,000 Canadian services exporters.

82. Canada has also demonstrated a high degree of transparency in the request-offer stage of the negotiations. A description of Canada's initial market access requests is available at <http://services2000.ic.gc.ca> and Canada will also make public its initial conditional offer at the same time that it is presented to trading partners at the WTO.

83. The government commented that it views consultations as key to enhancing good governance and transparency and to promoting a democratic approach to trade policy development. Intensive and ongoing consultations on the GATS are part of the government's commitment to ensuring that Canada's position reflects the interests of all Canadians.

Germany

Intra-governmental coordination

84. The lead agency for the WTO negotiations is the Federal Ministry of Economics and Technology. A Working Group has been established for the services negotiations, covering all sectors.

85. Regular meetings are held between relevant Ministries, along with *ad hoc* contact between officials within relevant Ministries. Regular briefings are provided, including reports on WTO and EU meetings. The German Government also has an Intranet which is widely used for intra-governmental communication including by Embassies and Permanent Delegations.

86. Participants in the consultations are basically chosen by lead agency, but process is also open to other Ministries. Other bodies/agencies, including those with regulatory responsibility, are included by Ministries responsible for individual services sectors.

87. Regular co-ordination is held on all services sectors with sub-federal (co-)competence (e.g. audio-visual, education, some professional services) by means of working groups, regular meetings or *ad hoc* contact (according to the sector). The structure of consultations varies, with a combination of different means, and a flexible, case-by-case approach. Consultations can include regular reports and *ad hoc* briefings by the Federal Ministry of Economics and Labour, background papers, negotiating proposals from other WTO Members and draft national and EU position papers.

88. The responsible Parliamentary committees are provided with reports on the progress of the services negotiations. The future involvement of the Parliament will also be determined by possible effects of the negotiations on domestic law.

Other stakeholders

89. Industry consultation takes the form of general briefings on WTO issues, along with *ad hoc* contact with government officials as required. Consultations are focused on domestic industry associations, but the process is in principle open to other stakeholders, e.g. foreign firms and individual companies. Downstream user industries of services are also included. Additional consultations are also held by Ministries responsible for individual services sectors on *ad hoc* basis and Government officials participate in seminars organised by interest groups/stakeholders.

90. The consultation process is in principle open. Invitations are generally issued by the lead agency/ Ministries responsible for individual services sectors. Consultations are based on draft national position papers, background papers drafted by government Ministries, input from industry and oral briefings.

91. Consultations are also held with NGOs, consumer groups, trade unions and, via individual correspondence, with interested members of the public. Such consultations normally take the form of *ad hoc* contact with government officials as required and general briefings on WTO issues. Government officials also participate in seminars organised by interest groups/stakeholders. Consultations are based on background papers drafted by government Ministries and oral briefings, as well as input from stakeholder groups.

Greece

Intra-governmental coordination

92. The lead agency for the WTO and GATS negotiations is the Ministry of Economy and Finance. Specifically, there is a sub-section for the GATS with the WTO Section of the Directorate for Foreign Trade Policy (which is itself part of the General Directorate for Policy Planning and Implementation under the General Secretariat for International Relations).

93. Coordination for the negotiations is carried out via *ad hoc* contacts between officials appointed by the relevant Ministries and *ad hoc* meetings with relevant representatives from the public and private sector. Regular briefings are also held.

94. The Ministry of Economy and Finance selects which other Ministries participate in this consultative process. Bodies responsible for the regulation of the relevant services are included. Consultations are based on briefings by the Ministry of Economy and Finance, as well as background papers, draft national and EU position papers and negotiating proposals from other WTO Members.

95. Parliamentary bodies are not involved in the consultations.

Other stakeholders

96. Industry consultation is conducted through *ad hoc* meetings with government officials, as well as *ad hoc* meetings, briefings and oral and written consultations. Participants are industry associations selected by the Ministry of Economy and Finance. Consultations are based on draft national and EU position papers, negotiating proposals from other WTO Members and industry input, as well as background papers drafted by the Ministry of Economy and Finance and officials from other relevant Ministries.

97. There is no consultation process with other stakeholders.

Italy*Intra-governmental coordination*

98. WTO negotiations are conducted by the European Commission, based on a common position defined amongst EU Member States in the 133 Committee. Italy is represented in the 133 Committee by officials from the Ministry of Production Activities (Ministero delle Attività Produttive - MAP), which coordinates on decision-making with the Ministry of Foreign Affairs and other interested Ministries.

99. A special group focusing on the services negotiations has been created inside the "Gruppo di Lavoro OMC" (WTO Working Party) at the MAP (DG Trade Policy). The group has two levels of participation: industry (or the economic system in general) and the central government Ministries.

100. Industry interests are coordinated by a number of different Ministries in the areas of their respective competence; however, experts from industry may be invited to participate in the debates depending upon the issues to be discussed. For example, in the course of preparing country-specific requests, many sectoral meetings were organised which included both representatives from industry and officials from the relevant Ministries.

101. The choice of Ministries to participate in the services group is made by MAP, based on past experience and the relevance of the areas of their competence. The Director General of each invited Ministry is then free to choose the most appropriate officers to send to the meeting, depending upon the issues to be discussed. Experts from other Ministries may also be invited as the need arises to address specific issues on the agenda (e.g., officials from the Visa and Immigration Office in the case of mode 4). The main regulatory bodies (Banca d'Italia, Consob, Isvap¹²) are also members of the services consultation group.

102. Consultations in the services group are generally based on a background paper, normally prepared by the MAP (DG Trade Policy), as well as on documents from the European Commission and OECD. The flow of information amongst members of the group is guaranteed by regular contact via email, fax and telephone, with email being the most common means of communication.

103. Consultations with the parliament were not undertaken for the first stage of the GATS negotiations which culminated in the presentation of country-specific requests. However, it is likely in the second phase of negotiations, which is even more sensitive in terms of the possible impact on national regulations, that the offers to be presented to other WTO Members will be the subject of Parliamentary consultations.

12. *Commissione Nazionale per le Società la Borsa* (the stockmarket regulator) and *Istituto per la Vigilanza sulle Assicurazioni Private e di Interesse Collettivo* (insurance regulator).

Other stakeholders

104. Consultations with industry began with a preliminary meeting at which representatives of MAP explained the objectives of the negotiations, as developed by the European Commission and agreed by EU Member States, and outlined the kinds of information which negotiators would need. Subsequent contact has been by email, telephone and, more rarely, direct meetings. Follow up meetings were also held at the time of the mid-term review and at the end of the first phase of the negotiations.

105. Most consultations have been organised at the level of industry associations, with individual industry participants only included where they were significant in number. Participation by industry associations is on a self-select basis, based on their degree of interest in the issues under discussion.

106. Discussions at industry consultations are guided by official documents submitted to the WTO and background papers prepared by the European Commission or MAP. Offensive interests expressed by industry have been incorporated into the negotiating proposals submitted by the European Communities and its Member States to the WTO.

107. During the preparation of country-specific requests there have not been direct consultations with civil society. It is plausible that, during the second phase of negotiations, a special meeting of the Gruppo de Lavoro OMC (WTO Working Party) will be organised which will include unions and other representatives of civil society.

Japan

Intra-governmental coordination

108. The Ministry of Foreign Affairs is responsible for coordination for the GATS negotiations.

109. Coordination is undertaken through daily communications over the phone, by fax, via email etc and, when necessary, through meetings of relevant ministries and agencies. Briefing meetings are organised after each cluster of meetings of the Council for Trade in Services (CTS) and its subsidiary bodies.

110. All ministries, including regulators, responsible for service sectors and sub-sectors covered by GATS negotiations are involved in the consultations. Participants include: the Cabinet Office; Financial Services Agency; National Police Agency; Ministry of Public Management, Home Affairs, Post and Telecommunications; Ministry of Justice; Ministry of Finance; Ministry of Education, Culture, Sports, Science and Technology; Ministry of Health, Labour and Welfare; Ministry of Agriculture, Forestry and Fisheries; Ministry of Economy, Trade and Industry; Ministry of Land, Infrastructure and Transport; and Ministry of Environment.

111. Consultations are held on a range of issues, including positions to be taken at the CTS and other meetings, negotiating proposals, initial requests and offers and other items related to the services negotiations. While the structure of consultations varies, basic information on GATS and negotiations on services are comparatively well shared amongst concerned Ministries and Agencies so that only new material needs to be shared at each consultation.

112. Parliamentary bodies are not involved in regular consultations.

Other stakeholders

113. Industry consultation takes place through various channels, takes various forms and involves various participants. For example, Nihon Keidanren (Japan Federation of Economic Organisations), along with the Ministry of Foreign Affairs, holds regular sessions for its member companies for briefings and exchanges of views on progress in the services negotiations. Inputs into Japan's initial requests come through various channels, including various business organisations and federations and individual companies (often via the Ministries and Agencies responsible for the sector), as well as Japanese corporations abroad.

114. In terms of whether invitees self-select or are chosen, the situation varies. For some briefing sessions, participants are normally chosen by the conveners who can be the government bodies and/or the industry. As for initial requests, invitations for input were sent to each company by various business organisations, Ministries and Agencies, and Embassies and Consulates of Japan etc, in most cases through their respective regular communication channels.

115. The basis for consultations with industry also varies. For briefing sessions, background papers may often be used. In terms of inputs into the preparation of initial requests, in some cases a questionnaire sheet was sent to each company; in other cases, a general invitation seeking their views was sent.

116. Briefings and exchanges of views on WTO issues, including services, have been organised on several occasions with academics, NGOs, journalists, consumer organisations, industrial organisations etc. Participation at these occasions has been open to any member of civil society. These consultations take the form of a briefing session, with prepared background papers. Informal study groups have also been convened on several occasions by the Ministry of Foreign Affairs, with participants chosen by the Ministry.

Korea*Intra-governmental coordination*

117. The lead agency for all matters related to the WTO, including the GATS negotiations, is the Ministry of Foreign Affairs and Trade. To co-ordinate government positions for the negotiations, one major Working Group for the services negotiations covering all sectors, the "Services Negotiations Task Force" has been organised. This Task Force is operated by the Ministry of Foreign Affairs and Trade and chaired by the Deputy Director-General in charge of the Services negotiations. In addition, Working Groups for each service sectors are organised and operated by the relevant Ministries (e.g., Education Services is organised by the Ministry of Education).

118. Regular meetings between relevant Ministries are held by the "Services Negotiations Task Force" prior to the WTO Services Negotiations meetings in Geneva and at other times as necessary. Regular briefings are also held for various levels of government officials and meetings among the Ministries involved in economic and trade affairs also take place at both the Ministerial and the Vice-Ministerial levels. Additionally, *ad hoc* contact between officials within relevant Ministries takes place regularly. Electronic communications (e.g., email) is often used and a government Intranet site for the Ministries involved in the WTO Doha Development Agenda (DDA) negotiations, including the Services negotiations, has been set up by the Ministry of Foreign Affairs and Trade.

119. 16 Ministries, including the Ministry of Foreign Affairs and Trade, and 4 other government agencies are involved in the Services negotiations. They are: Foreign Affairs and Trade; Finance and Economy; Education and Human Resources Development; Justice; Government Administration and Home Affairs; Science and Technology; Culture and Tourism; Agriculture and Forestry; Commerce, Industry and

Energy; Information and Communication; Health and Welfare; Environment; Labor; Construction and Transportation; Maritime Affairs and Fisheries and Planning and Budget, as well as the Office for Government Policy Coordination, the Government Information Agency, the Korean Intellectual Property Office and the Korean Broadcasting Commission.

120. The initial “Services Negotiations Related Ministries” were chosen under the supervision of the Ministry of Foreign Affairs and Trade. A few Ministries were subsequently added through the process of recommendation by the relevant Ministry, followed by the approval from the Ministry of Foreign Affairs and Trade. The Ministry of Foreign Affairs and Trade and other relevant Ministries included in co-ordination are also the regulators for the various service sectors.

121. Consultations mainly deal with the agenda of the WTO services negotiations and pertinent domestic preparatory measures. Major negotiating proposals from other WTO Members are sometimes tabled for discussion. Officials of the Ministry of Foreign Affairs and Trade conduct briefings on progress in the negotiations and draft and circulate background papers. Initial national position papers are drafted by the relevant Ministries responsible for particular service sectors. The Ministry of Foreign Affairs and Trade collects and reviews these drafts and produces the final paper in consultation with the Ministries involved.

122. The National Assembly holds hearings during its regular and informal sessions to follow up on the progress of the DDA negotiations.

Other stakeholders

123. Various processes for consultations with industry have been put into effect. The “Private/Public Consultation Forum” covering all services sectors is operated jointly by the Ministry of Foreign Affairs and Trade (representing the public sector) and by the Korea International Trade Association (representing the private sector).

124. Formal sectoral advisory and discussion meetings take place regularly and are operated by the Ministry of Foreign Affairs and Trade and the Korea Institute for International Economic Policy (KIEP). Also, the Ministries in charge of particular Services sector(s) operate formal advisory groups in that particular sector(s) as well. Regular meetings or briefings take place as needed and periodic surveys are also undertaken by relevant Ministries as needed.

125. *Ad hoc* contact with government officials often takes place through various communication channels, including by phone or in person through appointment. Consultations through the Internet and by Email take place regularly. The Email address of the WTO Division of the Ministry of Foreign Affairs and Trade has been made public to take questions from those who are interested in affairs concerning the WTO. Also, the Internet home-page of the Ministry of Foreign Affairs and Trade has a Q&A link where questions regarding the WTO and the DDA negotiations are posted by the users.

126. Formal consultations usually take place between the relevant Ministries and industry associations or other formal organisations that represent a particular industry or interest group. Informal consultations take place on an *ad hoc* basis and can involve any interested party. Invitees are either asked to be participants to the consultations or are recommended by the relevant Ministries, industries, or interest groups. The Ministry of Foreign Affairs and Trade takes all the necessary factors into account and determines the final participants to the “Private/Public Consultation Forum”.

127. Generally, background papers are drafted by the Ministry of Foreign Affairs and Trade or by other Ministries, as needed, according to the relevant discussion topics. Other papers of importance, including WTO documents and proposals, may also be utilised in briefings. Input from industry participants or other interested parties are also taken into account in the consultations.

128. Various processes for consultation with other stakeholders have been put into effect. Participants to the “Private/Public Consultation Forum” (see above) also include other stakeholders such as NGOs, consumer groups, scholars, and other interested members of the public.

129. In general, the process for consultation with other stakeholders is the same as that for industry (see above). In addition, public meetings with senior officials are sometimes requested by stakeholders or interested parties, and are often organised. As noted above, the Ministry of Foreign Affairs and Trade also has a dedicated link in its web-site to provide information and contact details.

130. The selection process for invitees to consultations is also the same as that for industry. That is, invitees are either asked to be participants to the consultations or are recommended by the relevant Ministries, industries, or interest groups. The Ministry of Foreign Affairs and Trade takes all the necessary factors into account and determines the final participants to the “Private/Public Consultation Forum”.

131. As for consultations with industry, the Ministry of Foreign Affairs and Trade or other Ministries draft background papers, as needed, according to the relevant discussion topics. Other papers of importance, including WTO documents and proposals, may also be used. Input from interested parties is also taken into account in the consultations.

Mexico

Intra-governmental coordination

132. The lead agency for the WTO and GATS negotiations is the Ministry of Economy. The Unit of Coordination of International Negotiations is responsible for the coordination of government positions for the GATS negotiations.

133. The Direction General for Negotiation of Services chairs an Intra-governmental Working Group for Negotiation of Services, covering all services sectors. The Working Group encompasses all relevant Ministries (Finance, Education, Communications and Transport, Energy, Environment, Foreign Affairs, National Migration Institute, the Central Bank and the Federal Commission for Telecommunications, among others).

134. The Working Group coordinates and takes stock of the consultation process and develops the Mexican positions for the different issues in the WTO negotiations on the basis of opinions of participating Ministries. Consultations are often supplemented by e-mail and telephone contacts to discuss the position on WTO negotiating issues, reports and others papers. Meetings take place periodically as needed, normally after each meeting of the Council for Trade in Services.

135. The Ministry of Economy coordinates and leads the participation of different Ministries in the Council meetings for the Trade in Services and the bilateral meetings with trading partners in Geneva. There is a coordination process between Geneva office and the capital on permanent basis.

136. Officials from the Ministry of Economy inform the Mexican Congress about different negotiations, as often as is necessary. These briefing meetings are called by either of the two authorities (Legislative or Executive).

Other stakeholders

137. Formal consultations usually take place between the Direction General for Negotiation of Services and the private sector. Generally, they follow the same periodicity as the Working Group.

138. The private sector has a consultative body, the “Coordinadora de Organismos Empresariales de Comercio Exterior” (COECE), organized by sectors (agriculture, industry and services). The services chapter is responsible for attending the meetings called by the Ministry of Economy and reports back to its members. It is through the periodic meetings that this services chapter of the private sector provides feedback to the government.

139. Services industries are also involved in the GATS through representatives of Chambers of Commerce, Association and Enterprises. Participants to consultations are selected by the COECE on the basis of the issues to be discussed. The consultations are often complemented by e-mail and telephone contacts.

New Zealand

Intra-governmental coordination

140. There has been extensive inter-departmental discussion in the preparation of New Zealand’s initial offer. Departments with regulatory responsibility have been particularly closely involved.

Other stakeholders

141. Consultation is an ongoing process and has been underway since the initiation of the services negotiations. It has intensified in the period leading up to the preparation of New Zealand's services offer. The objective of the current round of consultation is to provide stakeholders with an opportunity to register their views on the development of New Zealand's approach to the initial offer.

142. The current consultations were launched via a Ministerial press release and the posting of a consultation document on the Ministry of Foreign Affairs and Trade website. The press release and the consultation document invited public submissions.

143. Key stakeholders in the WTO services negotiations were identified: including services sectoral representatives (both industry and professional bodies and individual businesses); goods producers with an interest in services as an input to exports; Maori groups; local government; and non-governmental organisations, such as the Council of Trade Unions, Council for International Development and regional Chambers of Commerce. Where possible, existing networks and groups were used to consult across sectors and issues. In addition, sectoral organisations, professional bodies and individual service providers, as well as civil society groups, were approached directly.

144. Officials held consultations in six cities around the country. The time provided for consultation and for public submissions was one month. However, consultations and the process of accepting submissions are ongoing.

Norway

Intra-governmental coordination

145. The Ministry of Foreign Affairs has the overall responsibility for Norway’s participation in the WTO, including the current GATS--negotiations.

146. Due to the level of details in the services negotiations, active involvement by all relevant ministries is crucial to the negotiating process. Since the outset of the services negotiations, an inter-ministerial working group has met regularly. The group consists of all ministries having responsibility for services sectors relevant to the negotiations. The involved ministries are, within their respective services

sectors, responsible for ensuring that national regulatory framework and national policy objectives are taken into account in the negotiations.

147. The inter-ministerial working group meets regularly for an update on the negotiations and to plan future work. Participants in the working group have been invited to attend special seminars to improve their knowledge of the GATS and the negotiating process. Experts from Ministries have also been invited to take part in meetings in Geneva to get a better understanding of the process.

148. The inter-ministerial working group also meets on an ad-hoc basis to follow up work in progress. In-depth discussions concerning specific services sectors generally take place in smaller ad hoc groups with the ministries concerned. There are no fixed memberships for these smaller groups.

149. The Ministry of Foreign Affairs routinely sends all WTO Members' proposals and requests received by Norway from other WTO-Members to the ministries concerned for comments. These comments serve as inputs to the formulation of Norwegian positions in the negotiations.

150. Meetings in the inter-ministerial working group may include briefings by the Ministry of Foreign Affairs and discussions based on proposals from other WTO members or documentation from the secretariat. The drafting of national background papers, national statements and position papers are among the main subject matters of the working group.

151. The Minister of Foreign Affairs informs and consults the Parliament on the WTO negotiations and Norway's positions in important areas, for instance in connection with Ministerial Conferences of the WTO.

Other stakeholders

152. An advisory board on the services negotiations has been established. The board consists of representatives from various services industries, business associations, trade unions and NGO's. Foreign companies established in Norway and Norwegian-owned companies are treated equally, and are represented on the advisory board by their respective business associations. The advisory board also has representatives from some governmental institutions, such as the Norwegian Agency for Development Cooperation and the Norwegian Competition Authority. The advisory board has currently 45 members. It is up to each institution to decide who should be their representative on the advisory board.

153. The advisory board meets regularly to receive an update on the negotiations, present comments and give input to the Ministry of Foreign Affairs with regard to Norwegian positions. The Ministry of Foreign Affairs also routinely submits unrestricted negotiating proposals tabled by WTO-Members to all members of the advisory board for comment.

154. Trade interests with regard to specific services sectors are also discussed on an ad-hoc basis with interested parties in smaller groups. The objective of arranging these meetings is to enable a more focused and open exchange of views. In preparation of Norway's initial bilateral requests, ad hoc meetings were arranged with more than 30 business organisations, trade unions and other interested parties.

155. Information about the GATS-negotiations is also included on the Ministry of Foreign Affairs home page on the Internet. The home page has a link to WTO's home page for easy reference and additional information.

Spain

Intra-governmental co-ordination

156. The lead agency for the WTO negotiations, including GATS negotiations, is the Secretariat of State of Trade and Tourism, which is part of the Ministry of Economy. Coordination of government positions for the negotiations is undertaken by an Inter-ministerial Commission for the WTO Negotiations (CIOMC), approved by Royal Decree the 24th of February 1995 (Royal Decree 295/1995). This Commission has taken over the role played since 1975 by the Inter-ministerial Commission for the GATT Negotiations, created on the occasion of the Tokyo Round.

157. The CIOMC aims to co-ordinate the different points of view of Ministries with interests in the negotiating process and to elaborate the Spanish position for the WTO negotiations. The CIOMC is also in charge of the follow-up to, and implementation of, agreements reached at the WTO. The CIOMC is chaired by the Secretary of State for Trade and Tourism, with the Secretary-General of Foreign Trade acting as vice-president. The CIOMC includes representatives of all Ministries with interests in the negotiating process, with participation depending upon the matter to be discussed.

158. Article 4 of the Royal Decree 295/1995 also establishes the possibility of creating working groups. In light of this disposition, there are several sectoral Working Groups, one of which is in charge of the services negotiations. This group, like all the Working Groups, operates in a very flexible manner, with no specific composition established. Depending on the matter to be discussed, its composition will vary to accommodate representatives of different sectors where a horizontal analysis is required, or representatives of just one sector for more specific debates.

159. The CIOMC holds regular meetings, providing thus the forum for the meetings within relevant Ministries. At the same time, there is a fluent and constant contact at the technical level between relevant Ministries. Electronic communications are used whenever possible, i.e., when documents and papers are available in electronic format.

160. The Ministries and agencies involved in consultations are, in principle, selected by the lead agency. In practice, all Ministries involved in the negotiating process can participate in these consultations, since all of them are represented, directly or on an ad-hoc basis, at the CIOMC. With regard to the bodies responsible for regulating services sectors, their participation in the co-ordination process, if considered convenient and necessary, is implemented through the competent Ministries. Ministries are also in charge of the co-ordination with sub-federal authorities in their particular fields.

161. Consultations are structured in a very flexible manner. In order to prepare these consultations, a vast array of documents is distributed, prepared not only, but mainly, by the Secretariat of State – background papers, draft national position papers, etc. Papers by the WTO, other WTO Members, and the EU are also distributed.

162. Parliamentary bodies are involved in consultations through regular information on the negotiating process, as well as through the responses to the parliamentary questions raised at the Government Control Sessions.

Other stakeholders

163. Consultation with other stakeholders takes place via contact between representatives of Ministries and business groups, either directly or indirectly (e.g., through questionnaires). Periodically, there are also information sessions with NGOs, trade unions and other interested groups, conducted by the

Secretary- General of Foreign Trade with the assistance of government officials, where all relevant information is shared, and concerns and challenges are expressed.

164. Contact with business groups is normally at the level of sectoral organisations or horizontal contacts, the latter involving the CEOE (Confederación Española de Organizaciones Empresariales) or the Chambers of Commerce Council. Direct contact with the Administration, via e-mail through a dedicated web-site which provides contact details for relevant officials, is also possible.

165. Consultation with other stakeholders requires careful preparation. Documents and papers prepared by the General Secretariat of Foreign Trade are used to provide background information on recent developments in the negotiations. However, the information flow is in both directions, as these meetings also offer an excellent opportunity to receive reactions and views from business and civil groups. These views and reactions are expressed orally or in prepared documents and working papers.

166. Invitees to the consultations are selected by the General Secretariat of Foreign Trade, on the basis of the issues to be discussed. To assist with the selection, a database, including all relevant organisations, be they business, civil, trade or consumer organisations, is maintained and periodically updated.

Sweden

Intra-governmental coordination

167. The Ministry for Foreign Affairs is responsible for international trade issues, and acts as lead agency for the GATS negotiations.

168. All concerned ministries, as well as a few government agencies, meet with the Ministry for Foreign Affairs on a regular basis (about every six weeks) to work out positions for the WTO negotiations. The principles for the work of this Inter-ministerial Co-ordination Group for WTO Affairs are laid out in a government decision. That decision also stipulates which ministries and agencies form the group - namely, all ministries except the Ministry for Defence. The National Board of Trade is also included. For efficiency, other relevant agencies may also participate in the meetings.

169. A sub-group of the Inter-ministerial Co-ordination Group meets on an ad-hoc basis (a few times a year) to discuss GATS-issues specifically. The participants are persons who have been identified as contact persons for GATS issues within their ministry/agency. These persons are also responsible for involving concerned agencies under their jurisdiction, by updating them on the GATS negotiations and consulting with them, as appropriate. Other relevant agencies, such as the National Labour Market Board, are also invited to the sub-group's meetings. As the GATS-negotiations go into a more intensive phase, these meetings will naturally become more frequent.

170. More generally, there are frequent contacts between the Ministry for Foreign Affairs and other ministries and agencies concerning the GATS-negotiations. These contacts are mainly through the designated contact persons, but often also involve specialists on different sectors and issues within the ministries and agencies. These "bilateral" contacts are rather informal, through meetings, e-mail and phone calls. The designated contact persons for GATS issues also receive copies of reports from relevant international meetings, internal briefing papers etc concerning the GATS negotiations.

171. Similarly, while the meetings in the Inter-ministerial Group for Co-ordination of WTO issues are the formal fora for consultations, e.g. to decide on national positions, in between meetings there are frequent informal contacts by phone, e-mail etc between officers in charge of the specific negotiations issues in the Ministry for Foreign Affairs and their counterparts in other ministries and agencies to discuss

positions, negotiating proposals etc. Background papers, reports etc are distributed to the co-ordination group, mainly through e-mail.

172. Regarding the parliament, the Trade Minister regularly meets with the Parliamentary Standing Committees on Industry and Trade and on Foreign Affairs for information and discussions on trade issues, including GATS. The parliamentary Advisory Committee on European Union Affairs is consulted whenever WTO-related issues are to be taken up by the General Affairs Council of the European Union. Parliamentarians can pose questions to the Government on any issue. There are also general debates on trade issues in the parliament at intervals.

Other stakeholders

173. The National Board of Trade, an independent governmental agency, has a general instruction from the Ministry for Foreign Affairs to consult with industry, trade unions and other stakeholders. The Board has no established formal consultation process with regard to GATS issues. Contacts with industry (as with trade unions, NGOs etc - see below) are frequent, and on an *ad hoc* basis.

174. The Confederation of Swedish Enterprises is a central partner for consultations and frequent contacts are made. The Confederation in its turn consults with industry specific associations. As needed, and when dealing with specific issues, individual services exporters and industry associations are contacted directly by the National Board of Trade.

175. The main method of consultation is via targeted e-mails and phone contacts; surveys are mainly used when undertaking major background consultations. Individual services suppliers, associations and others at times contact the National Board of Trade and/or the Ministry for Foreign Affairs on their own initiative. Industry representatives also invite representatives of the National Board of Trade and Ministry for Foreign Affairs to meetings, conferences etc on services topics.

176. Industry (along with other stakeholders - see below) also participates in the Consultative Group on WTO Affairs established, on the basis of a government decision, by the Ministry for Foreign Affairs. The group's function is solely information exchange (including via briefings) and discussions. It meets on a regular basis (about every six weeks). At times, and on an *ad hoc*-basis, meetings of the group designated for specifically GATS-issues are held to facilitate a more detailed exchange.

177. Consultations are held to, for example: gather background material for national position papers; assess negotiating proposals from other WTO members, other EC Member States and the Commission; provide input to background papers drafted by ministries; and to acquire knowledge of different services sectors and trade barriers Swedish industry is faced with in other WTO Members.

178. For other stakeholders, the main fora for consultation on WTO issues are meetings and other contacts with the Consultative Group on WTO Affairs, chaired by the Ministry for Foreign Affairs. Any organisation with an interest in WTO issues is welcome to take part in the meetings, as long as it has the capacity to attend on a regular basis. The National Board of Trade also regularly consults with NGOs, consumer groups and trade unions. Consultations are mainly done via targeted e-mails and telephone contacts. Surveys are used mainly when undertaking major background consultations.

179. Additionally, trade unions, development organisations, other interested parties and stakeholders frequently contact government officials to discuss WTO-developments and to inform the government of their positions on different issues etc. These contacts are often by e-mail or over the phone. Government officials are also invited to speak at seminars on GATS and related issues arranged by trade unions and other organisations.

180. The web-site for the Ministry for Foreign Affairs provides ample material on international trade policy issues, including papers on national positions and priorities on GATS and other WTO negotiations issues. All protocols from meetings with the Consultative Group on WTO Affairs are posted on this web-site. The National Board of Trade also gives information on GATS and other WTO issues at its web-site.

181. Consultations with other stakeholders are used, for example, in the process of: gathering background material for national position papers; assessing negotiating proposals from other WTO members, other EC Member States and the Commission; receiving input to background papers drafted by ministries, and acquiring knowledge of different services sectors.

Switzerland

Intra-governmental coordination

182. The State Secretariat for Economic Affairs (SECO) is the lead agency for the GATS negotiations. SECO has created an intra-governmental working group for the services negotiations, covering all service sectors. Participants in the Working Group self-select and include all relevant Ministries, including regulators of service sectors. In addition to the Working Group, officials within the relevant Ministries also remain in *ad hoc* contact via email.

183. Working Group meetings are structured around briefings by SECO on progress in the negotiations, as well as background papers and, more recently, discussion of GATS requests. Negotiating proposals from other WTO Members are considered, however, draft national position papers are not generally prepared.

184. The Working Group also includes one delegate from the Cantons, representing all the Swiss Cantons. However, SECO or the Working Group may consult directly with an individual Cantonal Conference should an issue arise which specifically concerns a particular Canton.

185. There is no formal parliamentary role in the Working Group; however, any Member of Parliament may pose a question in writing to the Government which it is obliged to answer within 3 months. Additionally, the Government's negotiating mandate for the Doha Ministerial Conference, including for the services negotiations, was submitted to parliament for approval.

Other stakeholders

186. While there are no formal industry sectoral advisory groups, regular briefings and meetings with industry are held approximately every 3-4 months. Participants at these consultations are invited by SECO and include industry associations with an interest in services (there is no single national body representing services industries) and, sometimes, individual services exporters. Participants are Swiss firms, as well as foreign firms established in Switzerland.

187. Consultations are based on input from industry, including responses to questionnaires on import barriers encountered and export trade interests prepared by SECO. These questionnaires are sent to all Swiss Embassies and Consulates and distributed to Swiss firms operating in the local (foreign) market. Draft national position papers, background papers and negotiating proposals from other WTO Members are not used, nor are email consultation or periodic surveys. However, in addition to the regular consultation process, *ad hoc* contact with government officials takes place as required.

188. Consultations are also held with a broader range of stakeholders, with the same procedures as for consultations with industry, via regular meetings held approximately every 3-4 months. These meetings bring together representatives of NGOs, trade unions and industry, and cover the entire WTO negotiating

agenda. Meetings are usually introduced by SECO, which provides an update on the state of play in the WTO negotiations, and may feature a discussion on a particular theme or topic (e.g., public services). However, generally, consultations are based on input from participants (draft national position papers, background papers or proposals from other WTO members are not used). NGOs represent a range of interests, and include environmental groups, but not generally consumer groups. Meetings are not open to members of the general public.

189. In addition to the meetings, *ad hoc* contact with government officials takes place as required. However, broader outreach tools, such as public meetings with senior officials, calls for public submissions or a dedicated web-site with contact details, are not used.

United Kingdom

Intra-governmental coordination

190. The lead agency for the GATS negotiations is the Department of Trade and Industry (DTI). There is a general body for intra-governmental coordination, the Trade Policy Group, which covers all issues in the DDA. While participants generally self-select, DTI may take the initiative to contact a particular department if they believe an issue to be of special interest to them (e.g., the Home Office and work permits for mode 4).

191. A further mechanism, the Whitehall Services Contact Group, exists specifically for services. This group meets as needed (generally fairly frequently, but at least 4 times per year) to discuss specific issues (e.g., draft proposals). Members of the group are also in regular contact via phone and email (a standard email distribution list exists for all participants), and regular meetings and briefings are held with other Departments.

192. DTI is directly responsible for a number of service sectors (telecommunications, accountancy, energy, postal and courier and retail services). Other agencies with relevant responsibilities included in the Whitehall Services Contact Group include: Department for the Environment, Food and Rural Affairs (environmental services); Department for Transport; Department for Education and Skills; Her Majesty's Treasury (financial services sector, overview trade policy, public procurement); Department for Culture, Media and Sport; Department of Health; Department for International Development; Foreign and Commonwealth Office; Home Office (work permits/mode 4); Inland Revenue; Lord Chancellor's Department (legal services); and the Office of the Deputy Prime Minister (local government issues). The Cabinet Office also has a general overview role. A number of regulatory bodies are also included in the Contact Group (e.g., the Financial Services Authority); in other cases they are represented via the relevant Ministry.

193. Consultations within the Contact Group are based on briefings by DTI and background documents or proposals as necessary (an attempt is made to target relevant information at Ministries to avoid inundating them with material). Ministries are asked to provide comment on sectors for which they have responsibility, including on specific proposals from other WTO Members. National position papers on certain sectors are also cleared with the relevant Ministries and, if they are sufficiently important or sensitive, are also cleared through Trade Policy Group. Consultations on trade policy issues are also held with in-house lawyers and economists.

194. Separate consultations and briefing meetings are also undertaken by DTI with the devolved administrations in both Scotland and Wales. Regular informal contact and consultation also takes place at officials' level between these administrations and DTI. The views of local governments are registered in the Contact Group via the Office of the Deputy Prime Minister, which has responsibility for relations with

local government associations and for the relationship between central and local government. Separate meetings are also held between DTI and the Local Government Association and representatives of local government authorities are included in the Trade Policy Consultative Forum (see below).

195. Formal consultations with Parliament are required for changes to UK legislation or for the development of EC legislation. More generally, Members of Parliament (MPs) raise questions about trade matters on a regular basis, with a response generally given in the Parliament by the relevant Minister on the basis of material prepared by his/her department. Ministers have also proactively written on several occasions to all MPs to provide information and background papers on trade issues. Background papers are also lodged in the House of Commons Library. Interested MPs can also contact relevant officers listed in background documents for additional information. Select Committees of the Parliament can conduct hearings on any trade policy issue if they so choose.

Other stakeholders

196. The main consultative body for the DDA negotiations is the Trade Policy Consultative Forum, which includes NGOs, unions, business, women's groups, consumer groups and representatives of local government authorities. The Forum meets approximately every couple of months, with a particular subject chosen for each meeting (e.g., Singapore issues, agriculture, services). The meeting is chaired by the Minister for Trade and Investment, with senior officials from relevant departments (Department for International Development, Foreign and Commonwealth Office, Her Majesty's Treasury and DTI) also in attendance. Background papers are prepared for the meetings, and, if requested, background briefings are provided on developments in the negotiations in Geneva (although participants are often already well-informed via other sources). Meetings of the Consultative Forum tend to be participant-led, serving mainly for the government to hear views of key stakeholders and to respond to concerns and questions raised. Participants in the Forum number around 50, with NGO representatives chosen by NGOs from amongst those organizations affiliated with the UK Trade Network. Industry invitees are usually selected by DTI and include the Confederation British Industry plus any major industry group relevant to the discussion.

197. DTI also launched a specific consultation process for the services negotiations in October 2002. A lengthy consultation document "Liberalising trade in services - a new consultation" was prepared and focused on the requests submitted to the EU by its trading partners. The deadline for comments was 3 January 2003. The European Union has also indicated that it will make its services offer available to the public at the same time that it is lodged with other WTO Members.

198. Other information on the services negotiations is provided via the DTI website, which has recently been re-vamped to provide new information and is regularly updated. The website includes information on the various GATS negotiating groups and working parties, with short updates on their activities. Contact points (name, fax and phone number) on specific issues are also provided, along with a general address for correspondence and queries (GATS2000@dti.gsi.gov.uk). DTI also has separate trade policy communications unit responsible for both developing an overall communications strategy and dealing with specific requests for information, including letters from the public.

199. DTI has conducted a number of "Town Hall" meetings around the country on trade issues, and senior officials speak at meetings organized by a range of groups – e.g., industry, NGOs, student groups – whenever possible. DTI and other officials also meet with interest groups at their request, providing background notes and oral briefings and answering questions, as required, sometimes attending more regular meetings as observers. The Department for International Development also hosts a biennial Development Policy Forum, a regional road-show where DFID and DTI officials explain international development and trade policy to local civil society groups.

*United States*¹³

Intra-governmental coordination

200. The Office of the US Trade Representative (USTR) is legally the lead agency for the development of policy on trade and trade-related investment; however, several additional bodies were created by the Trade Expansion Act of 1962.

201. The Trade Policy Review Group (TPRG) and the Trade Policy Staff Committee (TPSC) are administered and chaired by USTR. The TPSC has more than 60 subcommittees responsible for specialised areas and several task forces on particular issues, with issue analysis assigned by USTR. Recommendations from these groups are presented to the full TPSC and used as the basis for reaching inter-agency consensus. If agreement is not reached in the TPSC, which has representation at senior civil servant level, or if particularly significant policy issues are under consideration, the matter is referred to the TPRG (Deputy USTR/Under Secretary level). Membership of these groups consists of a number of agencies¹⁴, with others invited depending upon the specific issues for discussion.

202. The final tier of the interagency process is the joint National Security/National Economic Council, composed of members of the cabinet which considers decisions from the TPRG as well as particularly important or controversial trade-related issues.

203. While virtually all issues are developed and formulated through the inter-agency process, USTR advice may in some cases differ from that of the interagency committees. Once decisions are made, USTR is responsible for their implementation, but can delegate responsibility to other agencies as appropriate.

204. During the inter-agency process, advice is regularly sought from the private sector advisory committees, the public (e.g., via Federal Register notices and public hearings) and Congress.

Congress

205. USTR officials consult closely with Congress on a range of trade issues and frequently testify before Congress on issues of Congressional interest, including WTO negotiations. The Office of Congressional Affairs responds to all requests for information from Congressional Offices and Committees, submits statutorily required reports to Congress and provides trade-related briefing materials for foreign trips by Congressional delegations.

State and Local Government

206. USTR's Office of Intergovernmental Affairs and Public Liaison (IAPL) provides outreach to and facilitates dialogue with, *inter alia*, state and local governments, on trade policy issues. IAPL is also the NAFTA and WTO State Coordinator, serving as the liaison to all state and local governments on the implementation of the NAFTA and WTO and other trade issues of interest.

13. The United States' system for consultation on trade matters is currently under review and a number of changes to the system presented in this section have been foreshadowed.

14. Departments of Commerce, Agriculture, State, Treasury, Labor, Justice, Defense, Interior, Transportation, Energy and Health and Human Services; the Environmental Protection Agency; the Office of Management and Budget; the Council of Economic Advisers; the Council on Environmental Quality; the International Development Cooperation Agency; the National Economic Council and the National Security Council. The International Trade Commission is a non-voting member of the TPSC and an observer at TPRG meetings.

207. IAPL informs the states on an ongoing basis of the trade-related matters that directly relate to or that may have a direct effect upon them; serves as a liaison point in the Executive Branch for state and local governments and federal agencies to transmit information to interested state and local governments; and relays advice and information from the states on trade-related matters.

208. The Governor's office in each State designates a State Single Point of Contact (SPOC) to disseminate information received from USTR and to assist in relaying specific information and advice from the states to USTR. Additionally, the Intergovernmental Policy Advisory Committee (IGPAC - see below) which consists of approximately 35 state and local government officials (e.g., governors, mayors, state legislators, attorneys general and country officials) appointed on a bipartisan basis, is briefed and consulted on trade priorities of interest to states and localities. USTR officials also participate frequently in meetings of state and local government associations (e.g., National Governors' Association), as well as holding consultation with particular states and localities on issues arising under WTO Agreements and NAFTA, including services.

Other stakeholders

209. USTR's IAPL also administers the federal trade advisory committee system and provides outreach to and facilitates dialogue with the business and agricultural communities, labour, environmental, consumer and other domestic groups on trade policy issues. IAPL coordinates USTR's outreach to the public and private sector through notification of the USTR Federal Register Notices soliciting written comments from the public, consulting with and briefing interested constituencies, holding public hearings and meeting frequently with a broad spectrum of groups at their request. Other consultation tools include preparation of fact sheets, speeches and publications and the USTR web-site.

Advisory Committees

210. Advisory committees provide information and advice with respect to US negotiating objectives and bargaining positions before entering into trade agreements, on the operation of any agreement and on other matters arising in connection with the development, implementation and administration of US trade policy. Established by Congress in 1974, this system consists of 33 advisory committees with a total membership of up to 1000 advisors (current membership is 700). Recommendations for candidates for membership are collected from a number of sources including Members of Congress, associations and organisations, publications, other federal agencies and individuals who have demonstrated an interest or expertise in US trade policy. Selection is based on qualifications, geography and the needs of the specific committee. Members pay for their own travel and related expenses and are required to have a security clearance.

211. The system is managed by the IAPL, often in cooperation with other agencies including the Departments of Agriculture, Commerce, Defense and Labor, and the Environmental Protection Agency. It has three tiers: the President's Advisory Committee for Trade Policy and Negotiations (ACTPN, which has no more than 45 members broadly representative of key sectors affected by trade, all appointed by the President for 2-year renewable terms¹⁵), six policy advisory committees and 26 technical, sectoral and functional advisory committees. Committees meet on a regular basis and receive sensitive information about ongoing negotiations and other trade policy issues and developments.

212. Members of the six Policy Advisory Committees are appointed by the USTR alone or in conjunction with other Cabinet officers. The Intergovernmental Policy Advisory Committee (see "State

15. Membership of this group includes persons representing unions (United Steelworkers of America, AFL-CIO) and civil society (Environmental Defense Fund, Center for Policy Alternatives) as well as industry.

and Local Government" above) and the Trade Advisory Committee on Africa are managed solely by USTR; other Committees on specific issues are managed jointly with the respective Departments of Agriculture (Agricultural Policy Advisory Committee), Labor (Labor Advisory Committee), Defense (Defense Policy Advisory Committee) and the Environmental Protection Agency (Trade and Environment Policy Advisory Committee). Members serve 2-year renewable terms.

213. The Sectoral, Functional and Technical Committees are organised in industry and agriculture. There are presently 5 agricultural technical committees co-chaired by USTR and Agriculture and 17 industry sector advisory committees co-chaired by USTR and Commerce. ISAC 13 relates to services and ISAC 17 to wholesaling and retailing. Four functional advisory committees co-chaired by USTR and Commerce cover customs, standards, intellectual property issues and electronic commerce.

Advisory Committees specifically related to services

214. Two Industry Sector Advisory Committees (ISAC) jointly administered by USTR and Department of Commerce are relevant - ISAC 13 Service Industries and ISAC 17 Wholesaling and Retailing.

215. The Services group currently has 31 members (the Charter provides for approximately 50). Committee members are US citizens representing US services companies that trade internationally (e.g., General Electric, AOL Time Warner, IBM, Morgan Stanley) or industry associations that represent services firms (e.g., US Coalition of Services Industries, Motion Picture Association of America Inc, Business Software Alliance, the American Bar Association, National Committee for Trade in Education) as well as individuals from large service sector companies.

216. The ISAC on Wholesaling and Retailing is comprised of 17 (the Charter provides for approximately 30) industry representatives including from wholesale trade, general merchandise stores, food stores, apparel stores and miscellaneous retail. Committee members are again US citizens representing US manufacturing or service firms (e.g., Liz Claiborne Inc., McDonald's Corporation, Avon Products Inc) or industry associations (e.g., National Retail Federation, International Franchise Association, Grocery Manufacturers of America) in the wholesaling and retailing industry trading internationally.

217. For both groups, members have a special interest in and knowledge of international trade issues and serve at the discretion of the Commerce Secretary and USTR. According to the Charter, members will be selected on a clear, standardised basis, on the basis of who will best carry out the objectives of the committee (secondary criteria include ensuring balance in terms of points of view, demographics, geography and company size).

ANNEX II. RESPONSES FROM SELECTED DEVELOPING COUNTRIES¹⁶

I. Intra-governmental co-ordination

1) Is there a lead agency for the WTO and/or GATS negotiations?

Country	Lead agency
China	Not given
Fiji	Ministry of Foreign Affairs and External Trade; Ministry of Commerce, Business Development and Investment
Ghana	Ministry of Trade and Industry
Guatemala	Ministry of Economy of Guatemala
Jamaica	Ministry of Foreign Affairs and Foreign Trade
Mauritius	International Trade Division
Mongolia	Ministry of Industry and Trade
Namibia	Ministry of Trade and Industry
Paraguay	Ministry of External Relations, Subsecretariat of Economic Relations and Integration, Direction of Economic Multilateral Agencies
Peru	Ministry of Foreign Trade and Tourism
Senegal	Trade Ministry
Thailand	Department of Business Economics
Zimbabwe	Ministry of Industry and International Trade

2) What structures are in place to co-ordinate government positions for the negotiations?

Type of structure	Number of countries	Relevant country(ies)
Working Groups		
Working Group for the services negotiations covering all sectors	5	China, Jamaica, Namibia, Paraguay, Senegal
Working Groups grouping together several services sectors	3	Guatemala, Mauritius, Senegal
Working Groups for each service sector	3	China, Mauritius, Thailand
General WTO Working Group	4	Fiji, Ghana, Mauritius, Zimbabwe,
Other co-ordination structures		
Regular meetings between relevant Ministries	6	China, Ghana, Guatemala, Jamaica, Mauritius, Paraguay
Ad hoc contact between officials within relevant Ministries	5	China, Fiji, Mauritius, Paraguay, Peru
Electronic communications (email)/government Intranet site	4	China, Fiji, Mauritius, Paraguay

16. Material in this Annex was contributed by UNCTAD.

3) Do Ministries or agencies for consultation self-select or are they chosen by the lead agency?

Selection	# of countries	Relevant country(ies)
Self-select	3	Guatemala, Mauritius, Senegal
Chosen by lead agency	10	China, Fiji, Ghana, Jamaica, Mongolia, Namibia, Paraguay, Peru, Thailand, Zimbabwe

4) How are consultations structured?

Consultation structure	# of countries	Relevant country(ies)
Briefings by the lead agency	12	China, Fiji, Ghana, Guatemala, Jamaica, Mauritius, Mongolia, Namibia, Peru, Senegal, Thailand, Zimbabwe
Background papers	10	China, Ghana, Guatemala, Fiji, Jamaica, Mauritius, Paraguay, Namibia, Thailand, Zimbabwe
Draft national position papers	7	China, Fiji, Ghana, Jamaica, Mauritius, Paraguay, Peru

5) How is the co-ordination process administered between Geneva and Capital?

Co-ordination process between Geneva and Capital	number of countries	Relevant country(ies)
Representatives from Capital sent to Geneva	8	China, Ghana, Guatemala, Mauritius, Mongolia (depending upon the importance of the issue), Namibia, Paraguay, Thailand
Reports	11	China, Ghana, Guatemala, Jamaica, Mauritius, Mongolia, Paraguay, Peru, Senegal, Thailand, Zimbabwe
Feedback	9	China, Ghana, Guatemala, Jamaica, Mongolia, Paraguay, Peru, Thailand, Zimbabwe
Relevant minutes of meetings sent to Capital	10	China, Ghana, Guatemala, Jamaica, Mauritius, Mongolia, Peru, Senegal, Thailand, Zimbabwe
Other	3	Fiji – As a non-resident WTO Member, Fiji's representation is based in Brussels and the coordination process is done through fax and email. Mauritius - Officials from Geneva are often invited on <i>ad hoc</i> basis to brief the meetings held in Capital; Namibia - representation through the Embassy in Belgium

6) What are the issues encountered in this co-ordination process?

Issues in co-ordination process	Number of countries	Relevant country(ies)
Lack of resources	11	Fiji, Ghana, Guatemala, Jamaica, Mauritius, Mongolia, Paraguay, Peru, Senegal, Thailand, Zimbabwe
Not a priority item for Capital	0	
Problem identifying relevant services sectors and thus Ministries	3	China, Peru, Thailand
Lack of understanding of GATS from governmental agencies or Ministries	7	China, Fiji, Guatemala, Mauritius, Mongolia, Namibia, Peru
Other	5	<p>Ghana - Information from Ministries in capital is not received in time to be sent promptly to Geneva</p> <p>Guatemala – lack of understanding and participation of the private sector</p> <p>Mongolia - problem of financing the travel of representatives to Geneva to attend meetings; Ministries overloaded with work which results in delays in responding to issues;</p> <p>Namibia - lack of technical capacity;</p> <p>Senegal - feedback is slow to be received.</p>

7) What steps, if any, have been taken to address these issues and what is the level of success?

Steps taken	Success level (high, medium, low)	Relevant country(ies)
Effort of the leading agency	Medium	Guatemala
Request for international co-operation/technical assistance (from regional and international organisations as well as bilateral development partners)	High Medium Low Very low	Ghana Paraguay Fiji, Jamaica Zimbabwe
Request for budget increase	Medium None	Ghana Paraguay
Organisation of seminars/workshops, symposia, meetings on GATS	High Medium Low	Ghana China, Mauritius, Peru, Thailand Namibia, Zimbabwe
Relevant government agencies attend WTO meetings	Medium to Low (financial constraints)	Thailand
Holding inter-Ministry meeting on GATS	Medium	Mongolia
Organisation of Specialised WTO Course at the University of Mauritius	Just launched	Mauritius
Training	Medium	Senegal
Internet Access	Low	Senegal

8) Has there been any regional co-operation?

Regional co-operation	Number of countries	Relevant country(ies)
Yes	5	Ghana, Jamaica, Namibia (beneficial), Peru (beneficial), Senegal (in its infant stage)
No	5	China, Fiji, Guatemala, Mongolia, Paraguay
No response (old questionnaire)	3	Mauritius, Thailand, Zimbabwe

9) Please provide any comment on the benefits or limitations of the approaches taken, any type of technical assistance received, or any other information you see as relevant

Country	Comment
Fiji	<ul style="list-style-type: none"> Lack of understanding of the GATS at both the governmental and private sector levels. Fiji needs GATS technical assistance to implement the following: workshops and seminars to increase awareness and knowledge of GATS; technical missions to advise government agencies on the implications of the GATS; extensive training for trade officials on the GATS.
Ghana	<ul style="list-style-type: none"> In view of the nature of the GATS, UNCTAD must intensify its seminars and consultancy programmes and analytical studies on the subject.
Guatemala	<ul style="list-style-type: none"> Technical assistance is needed Funds needed to organise the sectors
Jamaica	<ul style="list-style-type: none"> Technical assistance has been received from the WTO in the form of training, seminars and workshops. However, funding is required for longer term training, sectoral studies and increased participation in the negotiations.
Mauritius	<ul style="list-style-type: none"> Biggest issues is capacity constraints whereby capacity can not be built up in short time period Efforts to sensitise stakeholders have not been sufficient Received technical assistance from UNCTAD and WTO Co-ordination problems between the lead Ministry and other Ministries where the other Ministries do not seem able to follow the issues from the WTO perspective
Mongolia	<ul style="list-style-type: none"> The conduct of national seminars on GATS (through the assistance from the WTO and UNCTAD) are helpful and should be continued.
Namibia	<ul style="list-style-type: none"> Need to sensitise policy0makers to the important role of services trade in the economy; UNCTAD assistance was helpful in the liberalisation of services trade at the SADC¹⁷ level; national seminars on trade in services are required.
Paraguay	<ul style="list-style-type: none"> Received technical assistance from 2 consultants supported by a BID technical co-operation program. Assistance was positive and useful
Peru	<ul style="list-style-type: none"> Although seminars on GATS negotiations have been held, the response from industry representatives and other ministries was not as expected. Technical assistance received is scarce relative to Peru's needs.
Thailand	<ul style="list-style-type: none"> Lack of human resources constrains attendance of services meetings Difficult to assess/evaluate impact of services liberalisation
Zimbabwe	<ul style="list-style-type: none"> Received technical experts from the WTO; national workshop was held and participation was encouraging. Unavailability of data on trade in services constrains analysis of the impact of liberalisation and the development of concrete national positions on requests and offers.

17. SADC is the Southern African Development Community. It members are: Angola, Botswana, Republic of Congo, Lesotho, Malawi, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Swaziland, Tanzania, Zambia, Zimbabwe.

II. Other stakeholders

1) Is there a process for consultation with other stakeholders?

Consultation process	# of countries	Relevant country(ies)
Self-selected formal sectoral advisory groups	2	Guatemala, Paraguay
Formal sectoral advisory groups chosen by relevant authorities	5	China, Ghana, Jamaica, Mongolia, Zimbabwe
Formal sectoral advisory groups chosen by employers' association	1	Senegal
<i>Ad hoc</i> contact with government officials as required	6	China, Fiji, Mauritius, Peru, Senegal, Zimbabwe
Regular meetings or briefings	7	China, Ghana, Guatemala, Mauritius, Namibia, Paraguay, Zimbabwe
Email consultation	1	Paraguay
Periodic surveys	1	Fiji
Other		
Meetings as necessary	1	Thailand
Formal and written consultations to different sectors of the national industry on market access and national treatment barriers to trade in services	2	Ghana, Peru

2) Who is included in consultations?

Industry consultations include	# of countries	Relevant country(ies)
Individual services exporters	6	China, Fiji, Ghana, Jamaica, Namibia, Peru
Industry associations	13	China, Fiji, Ghana, Guatemala, Jamaica, Mauritius, Mongolia, Namibia, Paraguay, Peru, Senegal, Thailand, Zimbabwe
A national body representing services industry - e.g., national coalition of services industries, services forums	3	Ghana, Mongolia, Paraguay
Representatives of foreign firms established in the local market	4	Fiji, Ghana, Mongolia, Peru
Non-governmental organisations (NGOs)	7	Fiji, Ghana, Jamaica, Mongolia, Namibia, Senegal, Zimbabwe
Consumer groups	5	Fiji, Ghana, Jamaica, Namibia, Senegal
Trade unions	5	Ghana, Jamaica, Namibia, Paraguay, Zimbabwe
Interested members of the public	5	Ghana, Jamaica, Namibia, Paraguay, Peru
Other		
Academia and research institutions	2	Zimbabwe
Central Bank, research institutions, universities		Namibia

3) What is the basis for consultations?

Basis for consultations	# of countries	Relevant country(ies)
Draft national position papers	12	China, Ghana, Guatemala, Jamaica, Mauritius, Mongolia, Namibia, Paraguay, Peru, Senegal, Thailand, Zimbabwe
Negotiating proposals from WTO Members	9	China, Fiji, Ghana, Guatemala, Mauritius, Paraguay, Peru, Senegal, Zimbabwe
Background papers drafted by government Ministries	8	China, Fiji, Ghana, Jamaica, Mauritius, Namibia, Paraguay, Zimbabwe
Input from industry	8	Fiji, Ghana, Jamaica, Mauritius, Namibia, Paraguay, Zimbabwe
Other	1	Senegal - report from Geneva

4) What are the issues encountered during this co-ordination process?

Issues encountered during co-ordination process	# of countries	Relevant country(ies)
Lack of resources	11	China, Fiji, Ghana, Guatemala, Jamaica, Mauritius, Paraguay, Peru, Senegal, Thailand, Zimbabwe
Problem identifying service sectors of export interest	6	China, Jamaica, Mauritius, Peru, Senegal, Zimbabwe
Problem identifying issues that may be relevant to GATS negotiations	2	Mauritius, Mongolia
Lack of cooperation from service sectors	8	Fiji, Guatemala, Mauritius, Namibia, Paraguay, Peru, Senegal, Zimbabwe
Lack of understanding of GATS from domestic stakeholders	10	China, Guatemala, Mauritius, Mongolia, Namibia, Paraguay, Peru, Senegal, Thailand, Zimbabwe
Other		
Lack of a coordinating mechanism with the private sector	1	Peru

5) What steps, if any, have been taken to address the issues above and please state the respective level of success?

Steps taken	Success level (high, medium, low)	Relevant country
Workshops Private sector workshops	Not yet taken place Low	Guatemala Senegal
Co-ordination meetings	Medium	Fiji, Guatemala, Senegal
Formal and written consultations with different sectors on market access and national treatment barriers to services trade	Low	Peru
Training seminars	High	Paraguay
Awareness and sensitisation programmes	Not given CHECK Low	Mauritius Namibia
Seminars/workshops on GATS	High to Medium Low	Thailand Zimbabwe
Research Services sector assessment	Low Low	Zimbabwe Senegal
Request for budgetary supplement	Low	Zimbabwe
Solicited cooperation from sectors	Low	Zimbabwe
Technical and funding assistance sought	Low	Jamaica

6) Please provide any comment on the benefits or limitations of the approaches taken, any type of technical assistance received, or any other information you see as relevant

Relevant country	Comment
Fiji	<ul style="list-style-type: none"> • Approach constrained by shortage of trade officials dealing with WTO issues • More technical assistance is needed given the complexity of GATS and the ongoing services negotiations
Ghana	<ul style="list-style-type: none"> • In view of the nature of the GATS, UNCTAD must intensify its seminars and consultancy programmes and analytical studies on the subject
Guatemala	<ul style="list-style-type: none"> • Workshops are few and there is not sufficient time to cover all sectors and issues • Need technical assistance based on country's specific needs
Jamaica	<ul style="list-style-type: none"> • Technical assistance has been received from the WTO in the form of training, seminars and workshops. However, funding is required for longer-term training, sectoral studies and increased participation in negotiations.
Mauritius	<ul style="list-style-type: none"> • Absence of coalition of service industries makes the consultation difficult • Biggest issue is capacity constraints whereby capacity can not be built up in short time period • Efforts to sensitise stakeholders have not been sufficient • Received technical assistance from UNCTAD and WTO
Mongolia	<ul style="list-style-type: none"> • Would like to receive technical assistance from UNCTAD on training relevant officials from both the government and private sector in the negotiation process and the preparation of negotiating proposals.
Namibia	<ul style="list-style-type: none"> • Lack of assessment of trade in services both at the national and regional levels; lack of technical capacity to understand GATS; lack of a cohesive national strategy on services liberalisation.
Paraguay	<ul style="list-style-type: none"> • Need more sectoral assistance and co-operation in regulatory reforms
Peru	<ul style="list-style-type: none"> • Relevant sectors did not accomplish the formal and written consultations sent to them (thus, no appropriate feedback, except in the software sector) • Need more technical assistance especially on increasing awareness on the GATS for domestic stakeholders as well for future trainers; also need assistance on the setting up of a coordinating mechanism with the private sector.
Senegal	<ul style="list-style-type: none"> • Need technical assistance from UNCTAD, WTO, bilateral donors (EU, US)
Thailand	<ul style="list-style-type: none"> • Lack of continuity due to lack of human resources
Zimbabwe	<ul style="list-style-type: none"> • National budget limited; need comprehensive study on GATS as it impacts on the country; need to create national awareness on GATS issues and the export potential of the country; need to increase the participation of capital and Geneva-based representatives in the negotiation process.

ANNEX III. RESPONSES FROM ECONOMIES IN TRANSITION¹⁸

Estonia

Intra-governmental co-ordination

218. The agency responsible for general co-ordination of the WTO negotiations is the Ministry of Foreign Affairs (MFA). On the expert level the Ministry of Economic Affairs leads the working group for the GATS negotiations.

219. The main body for co-ordination of government positions for the multilateral trade negotiations is the delegation headed by the Minister for Foreign Affairs, which was formed by the Estonian Government on July 31, 2002. The Deputy Head is the Deputy Under-Secretary for External Economic Policy Affairs, MFA. The delegation consists of:

- main delegation, i.e. high officials from different governmental agencies and
- Heads of working groups, i.e. experts responsible for a specific issue of negotiations. The head of the working group for (all) services is the Head of the Foreign Trade Policy Division, Trade Department, Ministry of Economic Affairs (MEA).

220. The formation of Working Groups (WG) for services is in process and it is the responsibility of each Head of a particular WG. The WG will include experts from relevant governmental agencies. All expert groups have one member from the Division for Multilateral Relations - International Trade, External Economic Policy Department, MFA. Officials from different governmental agencies, especially the ones representing MFA (including the Permanent Mission in Geneva) and MEA, dealing with services are in daily e-mail and/or telephone contact and meet on *ad hoc* basis, in spite of the fact that the official WG is yet to be formed.

221. The consultations are based mainly on:

- a) negotiating proposals from other WTO members;
- b) requests from other WTO members;
- c) occasionally the consultations include briefings by any specific or interested agency involved in the WG.

222. The parliamentary bodies (especially the Parliamentary Commissions for Economic Affairs and Foreign Affairs) are being regularly briefed by relevant officials of MFA and MEA on the course of the

18. Material in this Annex on the Baltic States is drawn from "Experience of the Baltic States in managing multilateral negotiations on trade in services" [CCNM/TD(2002)16/FINAL], prepared by Mr Tomas Valiukas from Lithuania.

negotiations, with a view to the fact that the final result of the negotiations has to be ratified by the Parliament.

223. In the view of the Government of Estonia, the structure of governmental level negotiating team co-ordinating the Working Groups enables them to achieve a clear division of tasks and information, fast and flexible process of consultations as well as efficient formulation and implementation of national positions.

Other stakeholders

224. The process for consultation with industry usually takes the form of *ad hoc* contacts (including e-mail consultation) with government officials. The MFA and MEA officials have held lectures for industry associations in order to promote general knowledge of the WTO among the national industry. A comprehensive web-site *Estonia and WTO* is run by the MFA (http://www.vm.ee/est/kat_203/) where, among other information, an Estonian version of the *Business Guide to the World Trading System* is presented. The web-site also gives an overview of the role of different governmental agencies in this process with links to relevant contact data.

225. Taking into account the relatively small size of the Estonian economy, the possibility to participate in the domestic preparations for negotiations exists for all interested parties (i.e. individual service exporters as well as industry associations). To date, consultations have been held with the transport sector. There are plans to consult the representatives of the financial sector in the near future.

226. Since there are no formal rules for consultations, the participants can be both self-selected and invited by governmental agencies and/or relevant industry associations. The basis for consultations is negotiating proposals and requests from WTO members, and Estonian draft requests. Input from industry has been minimal until now.

227. There is no formal process for consultations with other stakeholders and such consultations have not taken place until now. However, as mentioned above, all interested parties are welcome to visit the web page *Estonia and WTO* and contact relevant officials in case they have questions and/or concerns.

Former Yugoslav Republic of Macedonia

Intra-governmental co-ordination

228. There is no lead agency for the WTO negotiations. However, the Ministry of Economy had a coordinating role with other ministries during negotiations for accession to the WTO. The Ministry of Economy will have the same role in respect to participation in the ongoing WTO/GATS negotiations.

229. One Coordinating Body, consisting of officials from all relevant ministries and government agencies, was established for services during the accession negotiations. This body, which covers all service sectors, is still functioning and holds meetings on regular basis. There is also electronic communication (email) between ministries.

230. Consultations include a range of Ministries, covering various service sectors and selected by the Ministry of Economy. These Ministries are: Ministry of Finance, Ministry of Justice, Ministry of Transport, Ministry of Culture, Bureau for Standardization, Ministry of Environment, Ministry of Health, and Ministry of Education.

231. The main focus of consultations amongst members of the Coordinating Body are negotiating proposals from other WTO Members. The Ministry of Economy also prepares briefings, which are submitted to the relevant ministries and/or agencies.

232. During the negotiations for accession in WTO, parliamentary committees responsible for various services sectors were obliged to approve the results of the accession negotiations which were contained in draft legislation.

Other stakeholders

233. Industry consultations in the service sector involve a number of service industry associations (e.g., the Bar Association). Invitees to consultations are usually selected by the relevant Ministries and/or agencies (e.g. the Bar Association is invited by the Ministry of Justice). Negotiating proposals from other WTO Members serve as the basis for consultations. Ad hoc contact with government officials also takes place as required.

234. Consultations are also held with non-governmental organisations, consumer groups and trade unions. These consultations usually take the form of ad hoc contact with government officials and email consultations. They are also based on negotiating proposals from other WTO members. The Government of the Former Yugoslav Republic of Macedonia commented that there were some obstacles to holding these consultations, such as limited human resources, lack of funding and lack of sophisticated communication equipment.

Latvia

Intra-governmental co-ordination

235. The Ministry of Economy is the responsible institution for the GATS negotiations, including the overall co-ordination with business sector, various governmental bodies, etc. The Ministry of Economy, in cooperation with the Ministry of Foreign Affairs and other relevant Ministries, formulates the interests of Latvia in the framework of GATS negotiations.

236. The overall co-ordination of the participation of Latvia in the WTO including GATS negotiations is the responsibility of an inter-Ministry body called "Consultative Board for co-ordination of the participation of Latvia in the WTO", which was approved by the Cabinet of Ministers of the Republic of Latvia in February 1999. The Board is chaired by the State Secretary of the Ministry of Foreign Affairs. The Members of the Board are executives from various institutions, such as Ministry of Foreign Affairs, Ministry of Economy, Ministry of Finance, Ministry of Agriculture, Ministry of Transport, Ministry of Welfare, Ministry of Environmental Protection and Regional Development, Ministry of Education and Science, Ministry of Culture, Ministry of Interior, Bank of Latvia, etc. The Consultative Board prepares and co-ordinates government positions in the multilateral negotiations, including negotiations on GATS.

237. Meetings of the Board usually take place once in a month. If necessary, the Board may be summoned more often. Several inter-Ministry meetings might be called in order to discuss any issues raised in the framework of GATS negotiations. *Ad hoc* contacts between the officials of relevant Ministries take place when necessary. Electronic communications are widely used among the relevant institutions.

238. The Cabinet of Ministers of the Republic of Latvia has approved a list of competent Ministries specifically responsible for GATS implementation and negotiations. The list includes Ministry of Economy, Ministry of Finance, Ministry of Transport, Ministry of Welfare, Ministry of Education and Science, Ministry of Interior and Ministry of Environmental Protection and Regional Development.

239. In general, briefings by the Ministry of Economy take place during the meetings of the Consultative Board. Background papers and draft national position papers are used when available. Negotiating proposals from other WTO Members are used regularly, whenever they are received from the WTO Secretariat.

240. Parliamentary bodies are not involved in consultations.

Other stakeholders

241. A process for consultation with industry benefits from formal sectoral advisory groups: a consultative institution called "The Expert Council at the Ministry of Economy", which involves the industry associations, has been established. When there is a need for meetings to prepare position papers considering the interests of the industry associations, *ad hoc* contacts with government officials are undertaken. There are, however, no regular meetings or briefings. E-mail consultations are not used very often.

242. Individual exporters of services are not included in the industry consultations, since industry associations can give an overview of the situation and highlight current needs of the private sector. Representatives of foreign firms established in the local market can contribute to the preparations for negotiations via consultations with the Council of Foreign Investors. The invitees to consultations can be self-selected, or selected by the Ministries.

243. Position papers taking into account the interests of consumers and service suppliers can serve as a basis for consultations. Negotiating proposals from WTO Members, naturally, are also taken into account. Those give an opportunity to focus on priorities and strategy of the Members. Background papers drafted by relevant Ministries are also used during the course of consultations. In the view of the Government of Latvia, input from industry is of great importance, since it enables to consider the domestic objectives and commercial interests on the basis of fair competition.

Lithuania

Intra-governmental co-ordination

244. The Ministry of Foreign Affairs (MFA) is the leading institution in co-ordinating intra-governmental work with the WTO and dealing with all questions concerning the WTO and trade policy. Following Lithuania's accession to the WTO on May 31, 2001, the Permanent Commission for implementing Lithuania's WTO commitments and intra-institutional co-ordination for all matters related to the WTO was established. The MFA plays a leading role in this Commission, and the Commission itself includes representatives from 29 different Ministries and other governmental institutions. There are representatives of Ministry of Economy, Ministry of Finance, Ministry of Communication, Ministry of Agriculture, Ministry of Culture, Ministry of Environment, Lithuanian Bank, State Patent Bureau, Customs Department, Competition Council, Standardisation Department and other governmental institutions related to trade, duties, economic policy, services policy, etc. The Chairman of this Permanent Commission is Director of Economics Department of the Ministry of Foreign Affairs. The appropriate Division of International Economic Organisations in the MFA is authorised to work on the WTO. This Division is in charge of all questions related to the WTO, including submission of information, co-ordinating activities of intra-governmental work, supervision of implementation of Lithuanian WTO commitments, presenting Lithuania's position and interests in the WTO negotiations. It also covers all activities related to GATS.

245. The above mentioned Permanent Commission, formed under the Government's decision and led by the Ministry of Foreign Affairs, is responsible for overall co-ordination of activities related to the WTO. Intra-institutional consultations, held within the framework of the Permanent Commission, result in

determination of specific interests and formulation of Lithuania's position in the WTO negotiations. Relevant Ministries are contacted on an *ad hoc* basis in order to indicate the current situation and their interests on a specific issue. Where necessary, an *ad hoc* Task Force may be formed. Electronic communication (e-mail) is generally used, with *ad hoc* briefings organised if so required. There has been no need for regular meetings between relevant Ministries so far, since Lithuania's interests are properly indicated and reconciled on an *ad hoc* basis.

246. The Ministry of Foreign Affairs using the Permanent Commission and other relevant formats informs or/and delegates certain tasks to relevant Ministries and/or other institutions or agencies which are competent and responsible for certain services or relevant sub-sectors. At a minimum, Ministry of Economy, Ministry of Finance, Lithuanian Central Bank, Ministry of Communication, Ministry of Health, Ministry of Education and Science, Ministry of Culture, Ministry of Environment, State Insurance Supervisory Authority, Lithuanian Securities Commission, Department of Tourism, and Department of Statistics are involved in the process. The contribution of those institutions to setting a single negotiation position is substantial.

247. The way that the preparations for negotiations take place depends on the particular subject and the complexity of the issue. The consultations for trade in goods are organised in one way, and consultations for trade in services yet another way. Mainly, the process is divided into two stages. At the first stage the Ministry of Foreign Affairs usually activates the Permanent Commission in order to distribute the primary information to relevant institutions: briefings, background papers and negotiating proposals from other WTO Members are forwarded for their consideration. At the second stage, some kind of briefing or electronic communication, depending on the complexity of subject, takes place. In this way the national position for negotiations is developed.

248. The MFA, as the lead institution dealing with trade policy and the WTO, has close relations with relevant Parliament Committees, namely: Committee on Foreign Affairs, Committee on Economics, Committee on Rural Affairs, Committee on Finance and Budgeting, Committee on Developing of Information Society and other Parliamentary bodies, which are informed about the whole WTO negotiations process, implementation of Lithuania's commitments to the WTO, WTO requirements in certain legislative process and current activities of Lithuania in the WTO.

249. Lithuania became a WTO Member only recently (May 31, 2001), therefore the best practice of intra-governmental co-ordination of positions for the WTO negotiations is still being determined. The Government of Lithuania noted that the increasing requests and demands would contribute to the design of proper intra-governmental co-ordination system. Simultaneously, a significant effort should be given to inform the society and business community about activities in the WTO and benefits from global trade.

Other stakeholders

250. The MFA has established stable and permanent co-operation with domestic business associations and representatives of all industries, including the service industry. The permanent contacts and communication with business associations are a part of daily Ministry's work and the way of mutual co-operation, in opinion of the Government of Lithuania, is well settled. Actually, the MFA often initiates and/or takes a part in seminars or conferences or other meetings to distribute information concerning promotion of export, global trade and WTO policy. These meetings are regular and mutually beneficial to private and public sectors. The information about Lithuania's trade policy and co-operation with the WTO is available at http://www.urm.lt/data/6/EF029113845_2ek.htm, the page also contains e-mail addresses for feedback. *Ad hoc* consultations with interested parties via phone and e-mail, as well as face-to-face meetings, are a part of daily routine of the MFA. Taking into consideration the short experience of consultations with industry concerning WTO issues, there was no necessity so far to set up a formal sectoral advisory group for consultations with representatives of specific industries.

251. As mentioned above, the MFA and other relevant Ministries have already a well-settled practise in common work with representatives of industry and business associations. In the industry, consultations mostly involve the Confederation of Lithuanian Industrialists and specialised industry associations, such as Association INFOBALT (its members are IT related companies and education institutions), Lithuanian Association of Constructors, Lithuanian Association of Carriers, Lithuanian Commercial Banks Association, National Association of Hotels and Restaurants, etc. However, individual service exporters are also considered. Representatives of foreign enterprises established in Lithuania had founded the Forum of Investors, which also closely works with the Government. The consultations are held in different formats. Depending on the concrete subject and the complexity of issue, briefings, *ad hoc* contacts, e-mail consultations or correspondence are used. Invitees may be both chosen by relevant Ministry or/and business association and self-selected.

252. The grounds for consultations with representatives of industry are mainly changes in the country's trade regime due to Lithuania's accession to the WTO, future membership in the EU, and recent news of Doha negotiation process. The basis and format of actual meetings depends on the particular subject, but the general pattern is as follows. First of all, the current situation, challenges and trends of sector are analysed. Secondly, the interests of certain industry in foreign markets and the possibilities for domestic market liberalisation in specific sectors are identified. After that, the national position for negotiations is developed.

253. In terms of consultation with other stakeholder, there is firstly, the co-operation with Lithuanian Free Market Institute - LFMI (non-governmental). LFMI is a private non-profit organisation established to promote the ideas of classical liberalism based on the principles of free market. LFMI's activities also include sociological surveys, publications, conferences, workshops, and lectures. The Ministry of Foreign Affairs, LFMI and domestic consumer groups or other interested members of the public work in close co-operation in formulation of national trade policy, accession to the WTO, export promotion, etc.

254. *Ad hoc* contacts and e-mail consultations, as well as meetings are used for the co-operation with LFMI. Periodic surveys by LFMI are provided on an ongoing basis. As mentioned above, the information about Lithuanian trade policy and co-operation with the WTO can be accessed at http://urm/data/6/LF029112425_2eko.htm.

255. Considering that the basis for consultations directly depends on the specific issue and the format for consultations is determined by the requirements of the subject, the identification of interests determines the invitees. Invitees are either chosen by relevant Ministry or/and other related institution, or self-selected. The basis for consultations is overall discussion in order to elaborate positions, reflecting Lithuania's interests in the WTO negotiations. During the consultations, exchange of views and estimations on common situation and sensitive points are exercised, possible interests and commitments harmonised.

256. It is rather ambitious to try to assess the overall process concerning preparations for negotiations in the WTO at this stage. The process raises a lot of questions and inspires active discussions, which demand comprehensiveness, flexibility and mobility. In the view of Lithuania's government, an evaluation of the overall process will be possible only after the end of the new round negotiations.