MULTILATERAL TRADE NEGOTIATIONS THE URUGUAY ROUND

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Special Distribution

Group of Negotiations on Services

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COMMUNICATION FROM SWITZERLAND

Draft General Agreement on Trade in Services (GATS)

The following communication is circulated at the request of the delegation of Switzerland to the members of the Group of Negotiations on Services.

DRAFT GENERAL AGREEMENT ON TRADE IN SERVICES (GATS)

The Contracting PARTIES (hereinafter referred to as "PARTIES")

RECALLING the Ministerial Declaration of Punta del Este of September 20, 1986;

WILLING to strengthen the multilateral trading system and its basic principles and to bring about a wider coverage of world trade under agreed, effective and enforcable multilateral disciplines by establishing an Agreement for all trade in services;

WILLING to promote economic growth among all trading partners and the development of developing countries through the expansion of trade in services;

RECOGNIZING that increased participation of developing countries in world services trade is an objective of the Agreement;

RECOGNIZING that the Agreement is based on principles, rules and disciplines such as national treatment, non-discrimination and transparency through which Market Access opportunities will be maintained or improved; and that through application of the Most-Favored-Nation clause all PARTIES shall benefit equally from the Agreement;

RECOGNIZING the right of governments to regulate the services sectors of their countries in conformity with rules and disciplines of the Agreement;

RECOGNIZING that progressive liberalization shall take place through the exchange of concessions in the form of Initial Commitments, Additional Commitments or Multilateral Commitments; that these concessions based on the Most-Favored-Nation clause shall become multilateral obligations through their insertion in Schedules in order to secure Market Access of PARTIES;

RESOLVED to engage into Initial Commitments at the time of acceptance of, or accession to, the Agreement in order to preserve existing Market Access and to apply the Agreement to the fullest extent in a manner not inconsistent with existing international agreements, national legislation and administrative regulations; to apply these commitments together with the Agreement;

RESOLVED to engage furthermore into Additional Commitments which result from bi- and plurilateral exchange of concessions;

RESOLVED to incorporate Multilateral Commitments regarding the harmonization of rules, the establishment of rules for mutual recognition of national regulations as well as the granting of Market Access to specific multilaterally agreed-upon sectors, sub-sectors or transactions that shall bind all PARTIES equally;

RECOGNIZING that progressive liberalization shall take full account of the economic situation of individual countries, in particular the special circumstances of least developed countries;

RECOGNIZING the need to establish multilateral procedures on consultation, surveillance, dispute prevention and settlement in order to ensure fair, prompt and effective enforcement of internationally agreed rules on trade in services.

HEREBY AGREE on the GENERAL AGREEMENT ON TRADE IN SERVICES (hereinafter referred to as "the Agreement"):

PART ONE: COVERAGE, DEFINITION AND SCOPE

Article 1 Coverage

The Agreement covers all existing and future internationally traded and tradable services. No means or mode of providing a service commercially shall be excluded from the purview of the Agreement. An illustrative list of services is contained in Annex I of the Agreement.

Article 2 Definition

International trade in services is defined to cover transactions necessary to provide services and transactions involving any:

a) Cross-border movement of services

b) Cross-border movement of consumers of services;

c) Cross-border movement of providers of services;

d) Establishment or commercial presence of services providers.

Article 3 Scope of Application

1. The Agreement shall apply to all laws, regulations and administrative guidelines as well as judicial decisions and administrative rulings of a precedential value which affect the provision of services in the territories of PARTIES.

> 2. Each PARTY shall take such reasonable measures as may be available to it to ensure observance of rights and obligations of the Agreement by regional and local governments and authorities as well as by non-governmental regulators within its territory.

PART TWO: MODES OF MARKET ACCESS

Article 4 Market Access

1. Each PARTY shall grant Market Access to the services and services providers of another PARTY in accordance with the content of its Schedule in one or several of the following modes:

- a) CROSS BORDER TRADE: A PARTY shall permit services providers operating from the territory of other PARTIES to provide services within its territory without requiring, as a condition for providing such services, the establishment of a commercial presence (such as a representative office, a branch or a subsidiary) within its territory.
- b) COMMERCIAL PRESENCE: A PARTY shall permit services providers of other PARTIES to establish, expand or maintain a commercial presence (such as through acquisition of an existing company, establishment of a new company, or a joint venture, an affiliation or a merger with an existing company) on conditions no less favorable than that accorded in similar circumstances to its own services providers.
- c) TEMPORARY ENTRY FOR SERVICES PROVIDERS: Notwithstanding its immigration laws, a PARTY shall provide for temporary entry of those nationals of other PARTIES who are essential for the provision of services.
- d) RIGHT OF RESIDENTS TO PURCHASE SERVICES IN THE TERRITORIES OF OTHER PARTIES: a PARTY shall allow its residents to purchase services provided by services providers of other PARTIES in their territories.
- e) LICENSING AND CERTIFICATION: A PARTY shall not establish or maintain conditions of nationality concerning licensing and certification necessary for the provision of services.

2. Where more than one mode is available in accordance with the Schedule of a PARTY, suppliers from other PARTIES shall be free to choose their preferred mode of delivery.

PART THREE: PRINCIPLES, GENERAL RULES AND DISCIPLINES

Article 5 National Treatment

1. Each PARTY shall grant to services and services providers of other PARTIES with respect to all laws, regulations and administrative practices treatment no less favorable than that it accords to its own services and to its own services providers in like circumstances. This obligation may be subject to reservations in accordance with Articles 19 or 20.

2. The treatment accorded to services and services providers of other PARTIES may only differ from the treatment a PARTY accords to its own services and services providers if such treatment:

- a) is not exceeding what is necessary for prudential, fiduciary, or consumer protection; and
- b) is equivalent in effect to the treatment accorded by the PARTY to its own services and services providers in like circumstances; and
- c) is not applied in a manner that would constitute a means of arbitrary or unjustifiable discrimination between PARTIES, a disguised restriction on trade in services, or a means of circumventing the objectives of the Agreement.

3. The provisions of this Article shall not apply to measures governing the procurement by governmental agencies of services purchased for governmental purposes and not for commercial resale or use in production for resale.

Article 6 Non-Discrimination and Most-Favored-Nation (MFN) Treatment

1. Each PARTY shall accord to services and services providers of other PARTIES treatment no less favorable than that it accords to services and services providers of any other country or territory.

2. Each PARTY shall accord immediately and unconditionally to the services and services providers of all PARTIES in like circumstances any advantage, favor, privilege or immunity that it grants on the basis of international agreements, domestic legislation, regulations or practices governing trade in services to services and services providers of any other country or territory.

Article 7 Transparency

1. Each PARTY shall promptly publish or make publicly available all international agreements, national laws, regulations, and administrative guidelines, as well as judicial decisions and administrative rulings of a precedential value which affect the provision of services in their territories. Except in urgent circumstances, no such measure shall be enforced or implemented before it has been published or made publicly available.

2. Each PARTY shall take such reasonable measures as may be available to ensure that non-governmental regulators within its territory comply with paragraph 1.

3. PARTIES that have reason to believe that a measure subject to concessions has been adopted by another PARTY may seek information on that measure bilaterally. The requested PARTY shall promptly satisfy such requests.

4. Within one year after entry into force of the Agreement, each PARTY shall establish Enquiry Points that are able to answer promptly all reasonable enquiries from other PARTIES regarding measures subject to liberalization commitments.

5. Except in urgent circumstances, before adopting or amending regulations relating to services subject to concessions, a PARTY shall provide other PARTIES with the opportunity to consult or make comments.

Article 8 Free-Trade Areas and Preferential Agreements

The provisions of the Agreement shall not exclude agreements among PARTIES for the establishment of Free-Trade Areas among PARTIES and Preferential Agreements among developing countries, provided that such agreements:

- a) facilitate trade among the constituent countries or territories and do not raise barriers to trade in services for other PARTIES; and
- b) have either substantial sectoral coverage, apply to substantially all trade in services and provide for a high level of liberalization within sectors and the respective modes of Market Access or are linked to customs unions or free trade areas in the sense of Article XXIV of the General Agreement on Tariffs and Trade; and
- c) fulfill the conditions set forth in Article 7 and are notified to the Committee.

Article 9 Domestic Regulations, Standards and Qualifications

1. PARTIES may regulate within their territory the provision of services and may introduce new measures consistent with the Agreement. In order to avoid circumvention of the objectives of the Agreement, such regulations shall not amount to and shall not be applied in a manner that would constitute:

a) a means of arbitrary or unjustifiable discrimination among PARTIES; or

b) a disguised restriction on trade in services.

2. Each PARTY shall base the regulations, standards or qualifications required for the provision of services upon objective and professional criteria, such as competence and the ability to provide such services.

3. Each PARTY shall administer its laws and regulations that pertain to or affect the provision of services in an impartial and reasonable manner consistent with its rights and obligations under the Agreement.

Article 10 Recognition or Harmonization of Domestic Regulations, Standards and Qualifications

1. Each PARTY shall endeavor to recognize unilaterally the equivalence of regulations, standards, or qualifications of other PARTIES for the provision of services in its own terrritory.

2. Notwithstanding Articles 6 and 8, each PARTY may conclude with other countries or territories protocols on mutual recognition or harmonization of national regulations, qualifications or standards, contained in Annex II, provided that these protocols are:

- a) open for adherence by all PARTIES that are capable to comply with such protocols; and
- b) not applied in a manner that would constitute a means of arbitrary or unjustifiable discrimination among PARTIES or a disguised restriction on international trade in services.

Article 11 Sectoral Annotations

The Sectoral Annotations set forth in Annex III further interpret, modify or contain additional provisions as appropriate with a view to further liberalize the sector covered. They shall comply with the general objactives of the Agreement and shall be given full force and effect as an integral part of the Agreement.

Article 12 Payments and Transfers

1. The PARTIES recognize that the International Monetary Fund has jurisdiction over payments and transfers of current international transactions. Accordingly:

- a) nothing in the Agreement shall be construed to alter rights and obligations of members of the International Monetary Fund; and
- b) nothing in the Agreement shall prevent the use, by a PARTY that is a member of the International Monetary Fund, of exchange controls or exchange restrictions that are in conformity with Article VIII of the Articles of Agreement of the International Monetary Fund.

2. Subject to Paragraph 1, each PARTY shall permit payments and transfers of current transactions and capital to be made freely and without delay into and out of its territory in a freely convertible currency at the exchange rate of the date of such transfer with respect to spot transactions, to the extent that such payments and transfers relate to:

- a) the provision of services across its borders by services providers of other PARTIES in accordance with the Schedule of the PARTY, or
- b) a commercial presence in the territory of the PARTY established in conformity with Article 4 (or its partial or total sale or liquidation), and activities associated with that commercial presence.
- 3. Notwithstanding the provisions of Paragraph 2, PARTIES may:
 - a) require reports of currency transfer;
 - b) impose income taxes by such means as a withholding tax applicable to dividends.

4. No provision of any other Article of the Agreement shall be construed as imposing rights or obligations on PARTIES regarding exchange controls or exchange restrictions on payments or transfers for current international transactions.

Article 13 Subsidies, Anti-Dumping, Government Procurement and Trade Related Investment Measures

1. From 1 January 199(x) or the earliest possible date thereafter, each PARTY shall cease to grant either directly or indirectly any form of subsidies on the provision of services provided by its services providers on the territory of other countries or territories. 2. Appropriate rules and disciplines for other forms of subsidies shall be developed by the Committee on the basis of:

- a) the rules and disciplines of the General Agreement on Tariffs and Trade and related agreements;
- b) the notification to the Committee through the depositary of the subsidies provided by each PARTY.

3. With respect to Anti-Dumping, Government Procurement and Trade Related Investment Measures, rules and disciplines shall be developed on the basis of the existing instruments of GATT.

Article 14 Behavior of Private Operators

1. In accordance with its competition legislation, and with relevant international principles and rules a PARTY should require enterprises operating within its territory to refrain:

- a) from taking actions that would adversely affect competition in the relevant market by abusing a dominant position of market power; and to
- b) from participating in or otherwise purposely strengthening the restrictive effects of cartels or restrictive agreements that adversely affect or eliminate competition.

Article 15 Monopolies and Exclusive Services Providers including State Trading Enterprises

1. Each PARTY shall ensure that monopoly and exclusive services providers, including state trading enterprises, grant services providers and consumers of other PARTIES access to and use of their services in a manner no less favorable than that accorded to consumers of that PARTY.

2. Monopolies and exclusive services providers, including state trading enterprises, shall make purchases and sales of services solely in accordance with commercial considerations, including price, quality, availability, marketability, transportation, and similar conditions of sale and purchase, and shall afford the enterprises of the other PARTIES adequate opportunity, in accordance with customary business and practice, to compete for participation in such purchases or sales. Under no circumstances shall such monopolies and exclusive services providers, including state trading enterprises accord to providers and consumers of other PARTIES treatment less favorable than that accorded to its own providers and consumers or those of any other country and territory.

3. Each PARTY shall ensure that, whenever a monopoly or exclusive provider, including a state trading enterprise, competes in the provision of another

> service, such monopoly or exclusive provider, including a state trading enterprise, will not use its monopoly, state-trading, or exclusive provider position to engage in anti-competitive practices that adversely affect services providers of any other PARTY.

> 4. Each PARTY shall notify the Committee through the depositary of the services that are provided within its territory by services providers of other PARTIES or that are provided by its own services providers within the territories of other PARTIES by enterprises described in Paragraph 1. This paragraph shall not require any PARTY to disclose confidential information which would impede law enforcement or otherwise be contrary to the public interest or would prejudice the legitimate commercial interests of particular enterprises.

5. After the entry into force of the Agreement Article 25 shall apply with respect to a PARTY granting monopoly or exclusive privileges of services providers regarding the provision of services.

Article 16 Exceptions for Public Order and National Security

1. Nothing in the Agreement shall be construed to prevent the adoption or enforcement by any PARTY of measures that are necessary to protect:

a) public morals, public order, safety, health, or the environnment; or

b) essential national security interests.

2. These exceptions shall not be applied in a manner that would constitute a means of arbitrary or unjustifiable discrimination between PARTIES, a disguised restriction on trade in services, or a means of circumventing the objectives of the Agreement.

Article 17 Waiver

1. In exceptional circumstances a PARTY may ask the Committee to waive obligations of the Agreement other than those contained in the Schedule. The request shall describe the measures that the PARTY proposes to take, the specific policy objectives that the PARTY seeks to pursue and the reasons that prevent the PARTY from achieving its policy objectives by measures consistent with its obligations under the Agreement.

2. A decision by the Committee to grant a Waiver shall state the exceptional cirumstances justifying the decision, the terms and conditions governing the application of the Waiver, and the date on which the Waiver shall expire.

3. Any Waiver granted for a period of more than one year shall be reviewed by the Committee not later than one year after it was granted, and thereafter annually until the Waiver terminates. In each review, the Committee shall examine whether the exceptional circumstances justifying the Waiver still exist and whether the terms and conditions attached to the Waiver have been met. The Committee, on the basis of the annual review, may extend, modify or terminate the Waiver.

PART FOUR: MODALITIES FOR LIBERALIZATION

Article 18 Schedules of Concessions

1. Each PARTY shall grant to services and services providers of other PARTIES treatment no less favorable than that provided for in the appropriate part of its Schedule. The Schedules of all PARTIES are contained in Annex IV.

2. Each PARTY shall insert ("bind") concessions granted to other PARTIES in its Schedule, and thereby commit itself neither to nullify nor to impair the concessions that are:

- a) commitments to eliminate, totally or partially, whether immediately or on the basis of a time schedule, international agreements, existing legislation or administrative regulations that are inconsistent with rights and obligations of the Agreement;
- b) commitments to preserve existing Market Access or to eliminate, totally or partially, whether immediately or on the basis of a time schedule, existing limitations and conditions on Market Access;
- c) sectoral or sub-sectoral specific commitments ensuring the fulfilment of Market Access obligations.

Article 19 Initial Commitments

1. At the time of acceptance of, or accession to, the Agreement, each PARTY shall make Initial Commitments not to increase previously existing inconsistencies with Articles 5 and 13:1 of the Agreement and to preserve existing Market Access in accordance with Article 4.

2. Each PARTY shall bind these commitments in Part One of the Schedule for each services sector, sub-sector or transaction specified. Reservations to this commitment may refer to the following elements:

- a) limitations to Market Access, as set forth in Article 4.
- b) reservations to National Treatment as set forth in Article 5.
- c) All remaining measures inconsistent with Article 13:1.

3. Each Party that has entered reservations shall endeavor to withdraw these reservations as soon as circumstances permit and shall give due consideration to requests of other PARTIES to withdraw these reservations during the course of future negotiations.

Article 20 Additional Commitments

1. In addition to Initial Commitments each PARTY shall make concessions in the form of Additional Commitments at the time of acceptance of, or accession to, the Agreement as well as at a later stage. Part Two of the Schedule shall, for each sector, sub-sector or transaction covered by these concessions, contain the following elements:

- a) modes of Market Access set forth in Article 4; and
- b) sectoral or sub-sectoral specific commitments ensuring the fulfilment of Market Access obligations; and
- c) National Treatment as set forth in Article 5 including possible reservations; and
- d) application of Article 13:1 including possible reservations; and
- e) the PARTY or PARTIES with whom such concessions have been negotiated.

Article 21 Multilateral Commitments

- 1. PARTIES may negotiate on a multilateral basis in order to:
 - a) harmonize rules for specific sectors, sub-sectors or transactions; and/or
 - b) establish rules for mutual recognition of national regulations, standards, or qualifications; and/or
- c) partially or fully grant Market Access to specifc sectors sub-sectors or transactions;

and subsequently enter into Multilateral Commitments that shall equally bind all PARTIES.

2. Multilateral Commitments are contained in Annex V.

Article 22 Rights and Obligations to Negotiste

1. PARTIES having a substantial interest as a consumer or a provider of services may ask any other PARTY to enter into negotiations on additional commitments regarding any sector, sub-sector or transaction. Requests for negotiations shall specify the proposed modifications to the Schedule of the requested PARTY. The requested PARTY shall afford sympathetic consideration of the request and an adequate opportunity for consultations within three months after having received the request. Negotiations shall be initiated within six months.

2. Negotiations on progressive liberalization shall take full account of the economic situation of individual countries, in particular the least developed countries. For this purpose, the PARTIES shall establish Negotiating Guidelines and review these guidelines on a periodic basis.

Article 23 Sectoral Safeguard Measures

1. A PARTY may impose safeguard measures, consisting of the total or partial suspension of a bound concession, in order to remedy unforseeable developments caused by the implementation of such concession provided that the safeguard measure:

- a) has no adverse effect on the commercial presence of services providers of other PARTIES; and
- b) is taken on a non-discriminatory basis; and
- c) is taken only within five years following the acceptance of the binding by the Party.

2. If the safeguard measure remains in force for more than (X) years, the PARTY with whom the suspended concession had been negotiated may withdraw its equivalent concession without owing compensation provided that the Committee does not disapprove of such a withdrawal.

3. All safeguard measures taken shall be subject to multilateral surveillance established under the auspices of the Committee.

Article 24 Balance of Payments Crises

1. In the event of serious balance of payments crises, each PARTY may temporarily apply restrictions on cross-border provision of trade in services, except for exchange controls or exchange restrictions. Such restrictions may only be imposed:

- a) if the PARTY has appropriate economic policies in place which permit the early elimination of such restrictions;
- b) in a manner no less favorable than that accorded to services providers of other countries or territories;
- c) for a period not exceeding one year, unless extended by PARTIES after consultation with the International Monetary Fund;
- d) in a manner that does not protect its services providers from competition from the services providers of other PARTIES; and
- e) in a manner that has the least disruptive effect on cross-border trade.

2. PARTIES to the Agreement shall develop appropriate procedures, in consultation with the International Monetary Fund, that provide for annual evaluation of restrictions imposed under Paragraph 1.

3. All measures taken in accordance with this Article shall be subject to a surveillance procedure established by the Committee.

4. No PARTY shall institute or maintain restrictions under this Article if it maintains controls or exchange restrictions that are not in conformity with Article VIII of the Articles opf Agreement of the International Monetary Fund.

Article 25 Modification and Withdrawal of Concessions

1. A PARTY may notify the Committee through the depositary of its intention to modify or withdraw a concession after a period of five years after that concession was granted.

2. A PARTY intending to withdraw or modify a concession shall enter into negotiations with a view to reaching agreement on appropriate compensation to PARTIES with whom such a concession was negotiated or who have substantial interests.

3. Should no agreement be reached between PARTIES concerned within six months of the receipt of notification and should the notifying PARTY pro-

ceed with its modification or withdrawal of such concession, the affected PARTIES as determined by the Committee may withdraw or modify equivalent concessions in their Schedule. Any such modification or withdrawal shall be notified through the Depositary.

4. A PARTY shall at any time be free to withhold or to withdraw in whole or in part, any concession in its Schedule with respect to which it determines that such concession was initially negotiated with a country which has not become, or has ceased to be, a PARTY to the Agreement. A PARTY taking such action shall notify the Committee through the depositary and, upon request, consult with PARTIES that have a substantial interest in the services sector concerned.

PART FIVE: DISPUTE PREVENTION AND SETTLEMENT OF DISPUTES

Article 25 Dispute Prevention

1. Except in urgent circumstances, whenever national laws, regulations and practices relevant to, and affecting rights and obligations under the Agreement are under review or intended to be implemented by a PARTY to the Agreement, such PARTY shall:

- a) promptly publish in its official language a notice that it intends to introduce, amend or abolish such laws or regulations;
- b) promptly provide, upon request, draft legislation and draft regulations, including explanatory material and information about practices, to such PARTIES;
- c) allow, without discrimination, a reasonable period of no less than (X) months for other PARTIES to submit written comments;
- d) consult with interested PARTIES, upon request, on the basis of comments submitted.

2. Under the auspices of the Committee interested PARTIES shall, upon request, consult with any PARTY with respect to difficulties in the implementation of the obligations provided for under Paragraph 1 for which no adequate and balanced solution has been found.

Article 27 Nullification or Impairment

1. If any PARTY should consider that any benefit accruing to it directly or indirectly under the Agreement is being nullified or impaired or that the attainment of any objective of the Agreement is being impeded as the result of:

- a) the failure of another PARTY to carry out its obligations under the Agreement; or
- b) the application by another PARTY of any other measure which in effect frustrates reasonable expectations as to the level of Market Access achieved by means of Initial, Additional and Multilateral Commitments taking all relevant circumstances into account.

2. The FARTY may, with a view to the satisfactory adjustment of the matter, make written representations or proposals to the other PARTY or PARTIES which it considers to be concerned¹.

Article 28 Consultations

1. Each PARTY shall accord sympathetic consideration to, and shall afford adequate opportunity for, consultations regarding such representations as may be made by another PARTY with respect to any matter affecting the operation of the Agreement.

2. Under the auspices of the Committee, a PARTY may request that interested PARTIES consult with any PARTY with respect to any dispute for which it has not been possible to find a satisfactory solution through the consultations provided for under Paragraph 1.

Article 29 Dispute Settlement²

PART SIX: INSTITUTIONAL AND ADMINISTRATIVE PROVISIONS

Article 30 The Committee

1. The Committee shall consist of all PARTIES to the Agreement. Each PARTY shall be represented and shall have one vote in the Committee.

¹ Further drafting of this Article will depend on the outcome of the work in NG 13

 $^{^{\}rm 2}$ Drafting of this Article will depend on the outcome of the work in NG 13

2. The Committee may establish its internal procedures, such subsidiary organs as may be necessary for the effective discharge of its functions and shall undertake whatever measures may be required to ensure the implementation of the Agreement.

3. Recommendations to amend Articles 00, 00, 00 shall be taken by twothirds majority and a by simple majority on all other matters.

4. The Committee may elaborate and adopt guidelines for the interpretation of Parts Two, Three and Four of the Agreement. It shall take into account relevant findings resulting from dispute settlement procedures.

5. The Committee shall agree upon a work program for the examination of periodic country reports. Their examination shall provide an overview of national policies in the area of services.

Article 31 Periodic Review Conference (PRC)

1. The PARTIES shall meet at least every (X) years for the purpose of reviewing the operation of the Agreement and to foster an increasingly higher level of cooperation.

2. Amendments of the Agreement shall be made according to Article 40.

3. At the first Periodic Review Conference (PRC) the PARTIES shall in particular

- a) develop a common statistical basis on trade in services, for which purpose they shall endeavor to furnish all necessary data and seek the cooperation of other relevant international and regional organizations;
- b) develop and adopt a comprehensive nomenclature of services sectors and sub-sectoral activities to which the Agreement applies;
- c) further develop rules and disciplines on subsidies on the basis of Article 13:2;
- d) develop and adopt rules and disciplines in the field of anti-dumping procedures, government procurement and trade related investment measures;
- e) examine the Sectoral Annotations;
- f) establish and review Negotiating Guidelines in the sense of Article 22:2.

Article 32 Director General

1. The Director General of GATT shall serve in the implementation of the Agreement.

Article 33 Technical Cooperation

1. Each PARTY shall establish a Contact Point within its territory to advise developing countries regarding:

- a) the provision of commercial information to exporters; and
- b) the assistance of exporters with questions relating to registration and recognition or obtaining of professional qualification; and
- c) the availability of services technology.

2. Each PARTY shall, if requested by other PARTIES especially developing countries, encourage their competent bodies to promote the exchange of information regarding research on the services economy and trade in services, as well as the application of such research.

3. Each PARTY shall, if requested by other PARTIES especially developing countries, provide technical assistance for the improvement of the statistics of those countries on trade in services.

Article 34 Cooperation with International Organizations

1. The Committee shall make whatever arrangements are appropriate for cooperation with International Organizations having special interests or responsabilities in the services sector.

PART SEVEN: FINAL PROVISIONS

Article 35 Relations with other International Agreements

1. PARTIES may conclude bi-, pluri- or multilateral agreements or amendments to existing treaties in order to supplement the provisions of the Agreement and to facilitate the application of the principles, rules and disciplines contained therein. 2. Notwithstanding Article 12, PARTIES agree not to alter rights and obligations under the Agreement in subsequent bi-, pluri- and multilateral agreements with other countries or entities by any means contrary to the provisions of the Agreement.

Article 36 Implementation

1. Each PARTY shall take all legislative or other measures as may be necessary to implement the provisions of the Agreement.

Article 37 Acceptance

1. The Agreement shall be open for acceptance to participants in the Group of Negotiations on Services of the Uruguay Round that have fulfilled the requirements of Article 19.

2. The instruments of acceptance shall be deposited with the Director-General of GATT.

Article 38 Entry into Force

1. The Agreement shall enter into force on the first day of the month following the expiration of a period of (X) days after the date on which (X) countries or territories have deposited their instruments of acceptance.

2. Upon entry into force of the Agreement the Committee shall set a final date for the deposit of instruments of acceptance. This final date shall not be later than (X) years following the date of entry into force of the Agreement.

Article 39 Accession

1. After the final date set by the Committee for the deposit of the instruments of acceptance has expired, the Agreement shall be open to accession to countries or territories capable of complying with the provisions of the Agreement.

2. The following procedures shall apply:

- a) A country willing to accede shall notify its intention of accession to the depositary.
- b) The country willing to accede shall submit, through the depositary, an offer list to all PARTIES. Any PARTY may table a request list to the country willing to accede.

> c) After having completed the above-mentioned procedures the country willing to accede shall enter into negotiations with the PARTIES interested in order to reach agreement on its Schedule.

4. After completion of these procedures the Committee shall decide whether the country willing to accede has fulfilled the requirements for accession and shall invite the country willing to accede to present its instrument of accession. This decision shall take full account of the economic situation of the country willing to accede, particularly in cases of least developed countries.

5. The accession shall enter into force on the first day of the month following the expiration of a period of (X) days after the date of receipt of the instrument of accession by the depositary.

Article 40 Amendment

1. Any PARTY may at any time, by written communication addressed to the Sepositary, propose amendments to the Agreement.

2. (z) days after the date of the receipt of the communication for an amendment by the depositary, the requesting PARTY may ask the Committee to consider the amendment and, if appropriate, to recommend the amendment for adoption by PARTIES.

3. An amendment shall become effective (X) days after the date on which a majority of PARTIES according to the majority-rules of Article 30:3 have notified the depositary of their acceptance of the recommandation of the Committee.

Article 41 Withdrawal

1. Any PARTY may, at any time, by written communication addressed to the depositary, withdraw from the Agreement. The withdrawal shall become effective on the first day of the month following the expiration of a period of (X) days after the date of receipt of the written communication by the depositary unless the communication specifies a later date.

2. For the withdrawing PARTY, rights and oblightions under the Agreement shall cease on the date the withdrawal becomes effective.

Article 42 Depositary and Registration

1. The Director-General of the General Agreement on Tariffs and Trade (GATT) shall be the depositary of the Agreement.

2. The Agreement shall be registered in accordance with the provision of article 102 of the Charter of the United Nations.

Article 43 Annexes

1. The Annexes form an integral part of the Agreement. A reference to the Agreement or to one of its parts includes a reference to the Annexes relating thereto.

2. The Annexes to the Agreement are:

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- a) Annex I Illustrative List of Sectors
- b) Annex II Mutual Recognition or Harmonization of Domestic Regulations, Standards and Qualification
- c) Annex III Sectoral Annotations
- d) Annex IV Schedules of Concessions
- e) Annex V Multilateral Commitments

ANNEXES

Annex I

ILLUSTRATIVE LIST OF SECTORS

³ The proposed reference list of sectors contained on pages 4 - 7 of MTW.GMS/W/50 could be inserted.

Annex II

<u>Mutual Recognition or Harmonization of Domestic Regulations,</u> <u>Standards and Qualifications</u>

Annex III

Sectoral Annotations

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I N I L I	a 1 C	PART UNE Ommittm	UNE UF SCHEDULE E m e n t s o f	Country	»X.	
Each Entry in columns (2) to (8) of this Schedule signifies a reservation to the rules of the Agreement. No entry means that the Agreement applies in full to all sectors, sub-sectors or transactions mentioned in column (1).	dule signifies a reservati	on to the rules of	the Agreement. No entry	ncans that the Agreement	applies in full to all sectors,	
Sector, Sub-sector, Transaction	Reservations to M a r	toMarke	t Access	,	Reservations to National	Inconsistencies with Article
	Cross-Border-Trade	Commercial Presence	Right of Residents Movement of to Purchase Abroad of Persons	it of Licensing s & Certification	Treatment ¹	13:1
(1)	(2)	(3)	(4) (5)	(9)	(1)	(8)
Insurance						. •
 Non-life other than fire, re-insurance or insurance of large riske 	not applied per Art. 00, Law XT,					
- fire insurance	not applied per Art. 00, Law XYX	not applied in the Provinces of XYZ, XXZ, ZXY	jt			subsidies as per Lew XX for exports of
- reinsurance, insurance of large risks						
- Life insurance - insurance of children	not applied per Art. 00 of Law XZ	limited to subeidiariee		no license is issued to persons active in	aj e	
- insurance of farmers and thair side	not spplied per national	limited to subsidiaries				
- all other life insurance						
¹ As per Art. 00 - 99 of Law XXX, foreigners may acquire real-estate only within the following limits.	e real-estate only ulthin the	following Haits:				

IV	SCHEDULE
	OF
ANNEX	OMT
	PART

"X" ountry ບ 44 0 10 4 F ٥ E t n n 1 0 ບ Additional

Each Entry in this Schedule referred to in Article 20 has the significance of a concession in the sense of Article 18.

Sector	Market Access in Accordance with	Commitments in the sense of	Reservations to National Treatment	Inconsistencies with Article 13:1	PARTIES with whom concessions have been
	20:1,b	Article 18:2,c)1		negotiated
(1)	(2)	(3)	(4)	(5)	. (9)
Life insurance		Rliminate the segmentation in	ation in		Ruritania
		life-insurance-market until	: until		
		December 31, 2099			

¹ As per Articles 00 - 99 of Law XXX, foreigners may acquire real-estate only within the following limits:

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