

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

RESTRICTED

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and Engineering Services

COMMUNICATION FROM THE EUROPEAN COMMUNITIES

Draft Annex on Construction
and Related Engineering Services

The attached communication is circulated at the request of the Permanent Delegation of the Commission of the European Communities. Note that this proposed draft annex should be read in relation to the draft agreement on trade in services proposed by the EC in document MTN.GNS/W/105.

DRAFT SECTORAL ANNEX

CONSTRUCTION AND RELATED ENGINEERING SERVICES

1. Scope

The provisions of this Annex shall govern the provision of activities in the construction sector and related engineering activities, including related consulting activities.

2. Market Access

In undertaking liberalisation commitments for transactions falling under Article I 1(c) of the Agreement, parties shall ensure, subject to any measures consistent with Article V of the Agreement, that the access granted for activities in the construction sector also permits related engineering activities and that access granted for engineering activities also permits related activities in the construction sector.

3. Movement of Equipment

To the extent that such movement relates to the provision of services covered by this Annex which have been liberalised, parties confirm that the cross-border movement of machinery, plant, tools and the supplementary means needed for the completion of the work shall be permitted. Although such movement shall be subject to customs duties and procedures, parties shall take such measures as may be necessary, including through recourse to temporary importation procedures, to ensure that customs duties and procedures do not prevent the economic provision of the service concerned.

4. [Domestic Regulation

Parties confirm that, for the purposes of the application of Article V of the Agreement, and to the extent that movement of personnel as defined in Article I 1(d) of the Agreement is concerned, compliance with immigration and social laws and regulations may be required by a party in its territory.]¹

¹ Such an annotation would not prove necessary if this question was dealt with in the Framework. However, in view of its importance for this sector, it would need to be included if no general solution was found.

5. Transparency

With regard to measures pertaining to or affecting the provision of services in local markets, where the level of investment in construction per capita is low, parties shall not be obliged to comply with the provisions of Article VI 1 of the Agreement insofar as information on such measures is in fact made publicly available.

6. Standards

Parties recognise that standardisation contributes to greater transparency and agree to facilitate the development of standardisation in the construction sector.