

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

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Group of Negotiations on Services

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COMMUNICATION FROM BARBADOS

Conditional Offer by Barbados concerning
Initial Commitments on Trade in Services

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

Barbados presents below its preliminary offer concerning initial commitments on trade in services.

1. The offer is conditional upon the satisfactory conclusion of the on-going Uruguay Round Negotiations and the adoption of a General Agreement on Trade in Services (GATS) and its Annexes.
2. To Barbados, this means that an Agreement on Trade in Services will be reached which includes special provisions for the development of developing countries and adequate opportunities for the export of services from Barbados. In addition, the offer is conditional on the extent to which offers from other parties are comparable and are of interest to Barbados.
3. The services offered are based on the Services Sectoral Classification List MTN.GNS/W/120.
4. Barbados reserves the right to correct errors, omissions or inaccuracies and make technical changes.
5. The offer is subject to Barbados' laws, regulations and guidelines applying to the specific sectors offered.
6. The legislation cited for each service sector/sub-sector is not exhaustive.
7. Barbados reserves its right to incorporate any domestic legislation that is legislated after the submission of this offer, but before the Uruguay Round is concluded.
8. It is understood that Barbados' offer is purely conditional and may be revised, modified, refined or withdrawn.

GATT SECRETARIAT

UR-93-0046

Explanatory Notes for Terms Used

Terms used for recording of commitments

(a) No limitations

This means that no limitations, conditions or qualifications, other than those mentioned under the horizontal measures will be imposed with respect to market access or national treatment.

(b) Bound

This means that Barbados has undertaken to bind the existing limitations and qualifications and to not become more restrictive or inconsistent.

(c) Unbound

This means that Barbados has not undertaken any commitment to bind measures inconsistent with market access or national treatment.

(d) Not applicable

This means that the Barbados Government does not recognize a specific mode of delivery for that particular service. In other words, it is not technically feasible.

Modes of supply

1. Cross-border supply

A service is supplied within Barbados, from the territory of another party.

2. Consumption abroad

A service is delivered outside Barbados, in the territory of another Member, to a consumer from Barbados.

3. Presence of juridical persons

The service is delivered within Barbados, through the commercial presence of the service supplier.

4. Presence of natural persons

The service is supplied within Barbados, through the presence of natural persons as the service supplier.

Horizontal Limitations on Market Access and National Treatment

1. Cross-border supply

Services which may negatively affect Barbados, may be subject to restrictions for reasons such as security, environmental or other regulatory purposes.

2. Presence of juridical persons

All persons not residents or citizens of Barbados, who wish to invest are subject to a number of acts, ordinances and regulations, some of which are discussed below:

- (i) The Exchange Control Act states that all foreign exchange transactions are to be regulated by the governmental agency of the Central Bank of Barbados;
- (ii) All individuals operating a business under a name other than their own name, must register the name of the business under the Registration of Business Names Act. This Act is not for companies, it is for individuals and firms only.
- (iii) All juridical persons are subject to the Companies Act, which states that all companies are to be registered.
- (iv) The Property Transfer Tax Act states that a foreign investor interested in the purchase or sale of land or shares/stocks is subject to a specific tax on the value of the settlement.
- (v) Foreign investors to Barbados are subject to the Withholding Tax Provision of the Income Tax Act. With this Act, the value of the rates vary depending on the type of transaction.

Insurance: Only corporate entities are allowed to conduct insurance business in Barbados. All such entities are to register with the Supervisor of Insurance.

3. Presence of natural persons

The entry and residence of all foreign natural persons to Barbados is regulated by the Immigration Laws of Barbados. These laws state that prior to a natural person working in Barbados they must have a work permit. These laws fall outside the purview of GATT.

Most professionals need to register with the appropriate governmental office to be able to operate, under the Professional Trade & Business Registration Act.

Under the Medical Registration Act, all medical practitioners must be registered to be able to legally operate.

BARBADOS' DETAILED LIST OF OFFERS IN SERVICES

1. Cross-border supply
2. Consumption abroad
3. Presence of juridical persons
4. Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<u>BUSINESS SERVICES</u>			
Legal Services	<p>(1) No limitations</p> <p>(2) No limitations</p> <p>(3) Subject to the Exchange Control Act - Cap.308 and the Companies Act - Cap.308 and the Property Transfer Tax Act.</p> <p>(4) Subject to the Profession, Trade & Business Registration Act - Cap. 373, work permit, admission to the Bar, Immigration Act - Cap.190, Legal Profession Act - Cap.370 A, Exchange Control Act - Cap.71, Registration of Business Names Act - Cap.317 and Property Transfer Tax Act.</p>	<p>(1) No limitations</p> <p>(2) No limitations</p> <p>(3) Subject to the Withholding Tax Provision</p> <p>(4) No limitations</p>	
Medical Services	<p>(1) No limitations</p> <p>(2) No limitations</p> <p>(3) Subject to the Exchange Control Act - Cap.71, Companies Act - Cap.308 and Property Transfer Tax Act.</p> <p>(4) Subject to a work permit, Immigration Act - Cap.190, the Professional Trade & Business Registration Act - Cap.373, Exchange Control Act - Cap.71, Registration of Business Name Act - Cap.317, Medical Registration Act - Cap.371 and Property Transfer Tax Act.</p>	<p>(1) No limitations</p> <p>(2) No limitations</p> <p>(3) Subject to the Withholding Tax Provision</p> <p>(4) No limitations</p>	

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Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Softwear Implementation Services	<p>(1) No limitations</p> <p>(2) No limitations</p> <p>(3) Subject to the Exchange Control Act - Cap.71, Companies Act - Cap.308 and Property Transfer Tax Act.</p> <p>(4) Subject to a work permit, Immigration Act - Cap.190, Exchange Control Act - Cap.71, Registration of Business Names Act - Cap.317 and Property Transfer Tax Act.</p>	<p>(1) No limitations</p> <p>(2) No limitations</p> <p>(3) Subject to the Withholding Tax Provision</p> <p>(4) No limitations</p>	
<u>COMMUNICATION SERVICES</u>			
Courier Services	<p>(1) No limitations</p> <p>(2) No limitations</p> <p>(3) Subject to the Exchange Control Act - Cap.71, Companies Act - Cap.308 and Property Transfer Tax Act.</p> <p>(4) Subject to a work permit, Immigration Act - Cap.190, Exchange Control Act - Cap.71 and Registration of Business Names Act - Cap.317 and Property Transfer Tax Act.</p>	<p>(1) No limitations</p> <p>(2) No limitations</p> <p>(3) Subject to the Withholding Tax Provision</p> <p>(4) No limitations</p>	

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Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<u>FINANCIAL SERVICES</u>			
Reinsurance	(1) No limitations (2) No limitations (3) Subject to Section 7 - Income Tax Act - Cap.310, Sec. 8 - Insurance Act, Exchange Control Act and Property Transfer Tax Act (4) Subject to Sec. 65 - Insurance Act, work permit, Exchange Control Act and Property Transfer Tax Act.	(1) No limitations (2) No limitations (3) Subject to the Withholding Tax Provision (4) No limitations	Subject to Sec. 25 - Insurance Corporation of Barbados Act - Cap.311 and Insurance Act - Sec. 23
<u>RECREATIONAL, CULTURAL & SPORTING SERVICES</u>			
Entertainment Services (inc. theatre, live bands & circus services)	(1) No limitations (2) No limitations (3) Subject to Exchange Control Act, Property Transfer Tax Act (4) Subject to a work permit, Exchange Control Act, Property Transfer Tax Act.	(1) No limitations (2) No limitations (3) Subject to the Withholding Tax Provision (4) No limitations	