

**MULTILATERAL TRADE  
NEGOTIATIONS  
THE URUGUAY ROUND**

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Group of Negotiations on Services

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**COMMUNICATION FROM BANGLADESH**

**Conditional Offer of Bangladesh Concerning  
Initial Commitments on Trade in Services**

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

**I. Introduction**

1. Bangladesh presents below its preliminary offer concerning initial commitments on trade in services. This offer is conditional upon a satisfactory conclusion being reached in the negotiations aimed at establishing a General Agreement on Trade in Services and the achievement of balanced global results in the Uruguay Round negotiations.
2. For Bangladesh, a satisfactory conclusion in the negotiations on services means the adoption of an Agreement on Trade in Services and Sectoral Annexes, promoting in a balanced manner the interests of all participants on a mutually advantageous basis, which necessarily includes provisions granting special treatment for least developed countries.
3. The access offered in the initial commitments will be subject to the applicable Bangladesh laws, regulations, guidelines and procedures at central and local Government levels.
4. This offer is also conditional upon the Agreement on Trade in Services allowing compliance with the Constitution of the People's Republic of Bangladesh, as well as its development priorities. The import of services into Bangladesh, whatever the mode of delivery used, must also comply with the international conventions, agreements and treaties signed by the Government of Bangladesh.
5. Bangladesh reserves the right to maintain, modify, reduce or withdraw this offer at any time prior to the entry into force of the multilateral agreement in the light of the final text of the Agreement and its sectoral annexes, and the scope and quality of the offers by other parties. It also reserves the right to amend its offer for technical reasons. Bangladesh's offer is also conditional upon the legal status accorded to the framework Agreement and the Financial Services Annex.

## II. Horizontal Measures

### 6. (a) Commercial presence

Commercial presence requires that foreign service providers incorporate or establish the business locally in accordance with the relevant provisions of Bangladesh laws, rules and regulations. There is no fixed ratio of equity between local and foreign investors. Foreign equity to the extent of 100 per cent is allowed. There is provision for repatriation of capital invested including capital gains, remittance of all post-tax dividend on foreign capital and remittance of royalty and technical fees. Remittance of 50 per cent of the salary of foreign nationals is allowed. 100 per cent tax exemption is allowed to the industries exporting 100 per cent of their products. All sectors excluding arms, ammunitions and other defence equipment and machinery, production of nuclear energy, forest plantation and mechanised extraction within the bounds of reserved forests, security printing (currency notes) and minting and air transportation and railways are open for investment by the private sector.

### (b) Movement of personnel

In Bangladesh, the entry and residence of foreign natural persons (service providers) are subject to Bangladesh's immigration and labour laws, regulations, guidelines and procedures. There is no restriction in issuing work permits to foreign nationals in Bangladesh. The employment of foreign natural persons for the implementation of the foreign investment shall be agreed upon by the Contracting Parties and approved by the Government and such personnel shall be employed in higher management and specialised jobs only.

### (c) Movement of consumers

Bangladeshi consumers may travel abroad for buying services. The de-regulation of the foreign exchange market has removed many restrictions regarding payments in foreign currency.

### (d) Cross-border supply

The services associated with international trade in goods follow the same rules as the goods concerned. For specific reasons, certain goods may be subjected to restrictions or control measures. Such reasons may include, inter alia, temporary quantitative restrictions or customs surcharges due to balance-of-payment difficulties, safeguard measures, protection of health and life of persons, national security, etc.

III. Sectoral commitment

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment
Five Star Hotel and Lodging Services	(1) Not applicable (2) Unbound (3) None (4) Provisions of labour, immigration and customs laws.	(1) Not Applicable (2) Unbound (3) None (4) None
Key: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons		

Explanation of terms used

Not applicable This mode of delivery of service is not feasible.

Unbound This means that Bangladesh does not offer to bind existing laws, regulations and measures affecting the conditions of market access or national treatment, regardless of the outcome of the negotiations.

None This means that no conditions or qualifications regarding market access or national treatment apply other than those mentioned under horizontal measures.