

Brussels, 12 November 2002

Trade in services: EU launches public consultation on requests for access to the EU market

In the context of the on-going negotiations under the Doha Development Agenda, and with a view to preparing the EU's initial offer to be submitted next March, the EU is now launching a wide public consultation on the requests from other WTO members for improved access to the EU services market. EU Trade Commissioner Pascal Lamy indicated: "Since I took office in 1999 I have been committed to being transparent and to engage in a continuous dialogue with all interested parties on trade issues. It is only if we have a broad debate with all stakeholders about the issues, real or perceived, raised by trade liberalisation that we can garner the support necessary for carrying these important negotiations to a successful conclusion. This consultation is part of my commitment to transparency and dialogue and is aimed at seeking public input into how the EC should respond in its initial offer to the request it has received from third countries. I therefore invite all interested parties to study this document and let us know their views on the issues at stake before 10 January 2003".

During the Fourth Ministerial Conference in Doha, Qatar, in November 2001 Trade Ministers launched a new round of WTO trade negotiations.

Ministers in Doha agreed to provide new impetus to the services negotiations started in 2000 by setting clear deadlines for the submission of initial requests for market access (30 June 2002) and for the presentation of initial offers to other members (31 March 2003). In accordance with this mandate the EC submitted in early July 2002 its initial requests for improved market access in services sectors to 109 WTO Members. The EC has in return since July 2002 received a number of initial requests from third countries seeking further access to the EC's services market for their services providers. Other countries are at this point in time in various stages of preparing their initial requests.

While the services negotiations are generally on track it is important that all WTO partners take an active part in the negotiations and submit their initial requests and subsequently offers. Only when negotiations are comprehensive can an overall balance of rights and obligations be secured.

Background

Services play an increasingly central role in the global economy, but their strong and growing role is still not reflected in its share of world trade. Various entry barriers still hamper trade in services and act as a brake on economic growth. In virtually every country the performance of the service sector can make the difference between rapid and sluggish growth, as services constitute essential inputs in the production of goods and other services. They encompass a vast and disparate range of economic activities and dominate the economies of developed and many developing countries.

Access to high-quality services, in particular infrastructure-related services such as telecommunications, transport, and financial services, benefit the whole economy by increasing productivity across sectors and are crucial for economic development.

The GATS negotiations are about opening up services trade. They are not about deregulation of services, many of which are closely regulated for very good reasons, such as ensuring quality and equal access to public services, social and territorial cohesion.

The EU has important stakes in the current services negotiations. Services constitute the single most dynamic economic activity in the EU accounting for at least two thirds of GDP and employment. Services also account for more than half of the EC's incoming and outgoing foreign direct investments. The EU is at the same time the biggest world exporter and importer of services, with 24% of world trade in services (while it covers 19% of world trade in goods).

For a complete text of the requests go to:

http://europa.eu.int/comm/trade/services/index_en.htm