

WORLD TRADE ORGANIZATION

RESTRICTED

S/NGBT/18

30 April 1996

(96-1837)

Negotiating Group on Basic Telecommunications

REPORT OF THE NEGOTIATING GROUP ON BASIC TELECOMMUNICATIONS

1. This report is made in accordance with the Ministerial Decision on Negotiations on Basic Telecommunications, which requires the Negotiating Group on Basic Telecommunications to conclude these negotiations and make a final report no later than 30 April 1996.

Background

2. Ministers agreed at the Marrakesh meeting that negotiations on commitments in basic telecommunications should be continued after the WTO Agreement came into force. The Ministerial Decision on Negotiations on Basic Telecommunications and the Annex on Negotiations on Basic Telecommunications allowed Members an extended period during which to negotiate commitments relating to basic telecommunications, to inscribe those commitments in the Schedules annexed to the General Agreement on Trade in Services and to finalize their positions relating to MFN exemptions in this sector. Under the terms of the Annex on Negotiations on Basic Telecommunications, Article II and the Annex on Article II Exemptions, including the requirement to list in that Annex any measure inconsistent with most-favoured-nation treatment, were suspended until the date for the implementation of the results of the negotiations, which would be cited in this report.

3. The Decision established the Negotiating Group on Basic Telecommunications to carry out the negotiations. The Negotiating Group has held 16 meetings since its inception in April 1994 and has reported periodically on its progress to the Council on Trade in Services. The Decision specified that participation in the negotiations would be entered into on a voluntary basis. By the conclusion of the negotiations, 53 governments (including the European Communities and its Member States) had elected to participate fully in the negotiations. Another 24 governments were participating in the process as observers.

Activities of the Negotiating Group

4. In July 1994, the Negotiating Group issued a Questionnaire on Basic Telecommunications covering definitions and market structure, competition, and regulatory issues. The Group reviewed participants' responses to the questionnaire. In all, 37 of the full participants and two observer governments submitted questionnaire responses. Another activity of the Group was to examine outstanding technical and conceptual issues. Among such issues discussed were technical matters relating to the scheduling of commitments and regulatory issues such as licensing, interconnection, competition safeguards, transparency, independent regulatory bodies, frequency and numbering, standards and type approval, tariffs and accounting rates, termination services, rights of way and planning and universal service. One result of these discussions was an informal Reference Paper on regulatory disciplines intended to be used as an aid by participants in their scheduling of additional commitments. At the end of July, participants agreed to begin submitting draft offers of commitments on basic telecommunications to serve as the basis for bilateral request/offer negotiations. Throughout the negotiations, participants made it clear that their offers were conditional upon the quality and extent of the commitments made by others. The Group sponsored frequent rounds of bilateral negotiations among participants.

Conclusions

5. At its final meeting on 30 April 1996, the Negotiating Group agreed to forward to the Council for Trade in Services this report and the attached list of the Schedules of Commitments and Lists of Article II Exemptions, together with the draft Fourth Protocol to the General Agreement on Trade in Services and a draft Decision on Commitments in Basic Telecommunications. The date for the implementation of the results of these negotiations shall be 1 January 1998, as specified in paragraph 3 of the Protocol.

ATTACHMENT

**Schedules of Commitments and Lists of Article II Exemptions
to be annexed to the Fourth Protocol of the General
Agreement on Trade in Services**

Argentina	S/NGBT/W/12/Add.27/Rev.1
Australia	S/NGBT/W/12/Add.6/Rev.2
Brazil	S/NGBT/W/12/Add.21/Rev.1
Canada	S/NGBT/W/12/Add.7/Rev.3
Chile	S/NGBT/W/12/Add.16/Rev.1
Colombia	S/NGBT/W/12/Add.34
Côte d'Ivoire	S/NGBT/W/12/Add.31/Rev.1
Czech Republic	S/NGBT/W/12/Add.11/Rev.2
Dominican Republic	S/NGBT/W/12/Add.24/Rev.1
Ecuador	S/NGBT/W/12/Add.26
European Communities and their Member States	S/NGBT/W/12/Add.10/Rev.1
Hong Kong	S/NGBT/W/12/Add.4/Rev.4
Hungary	S/NGBT/W/12/Add.17/Rev.1
Iceland	S/NGBT/W/12/Add.33/Rev.1
India	S/NGBT/W/12/Add.32
India	S/NGBT/W/19 (List of Article II Exemptions)
Israel	S/NGBT/W/12/Add.20/Rev.1
Japan	S/NGBT/W/12/Add.2/Rev.3
Korea, Republic of	S/NGBT/W/12/Add.15/Rev.1
Mauritius	S/NGBT/W/12/Add.23/Rev.1
Mexico	S/NGBT/W/12/Add.5/Rev.2
Morocco	S/NGBT/W/12/Add.30/Rev.1
New Zealand	S/NGBT/W/12/Add.1/Rev.2
Norway	S/NGBT/W/12/Add.12/Rev.1
Pakistan	S/NGBT/W/12/Add.28/Rev.1
Peru	S/NGBT/W/12/Add.25/Rev.1

Philippines	S/NGBT/W/12/Add.18/Rev.1
Poland	S/NGBT/W/12/Add.22/Rev.2
Singapore	S/NGBT/W/12/Add.13/Rev.2
Slovak Republic	S/NGBT/W/12/Add.8/Rev.2
Switzerland	S/NGBT/W/12/Add.9/Rev.2
Thailand	S/NGBT/W/12/Add.29
Turkey	S/NGBT/W/12/Add.19
United States of America	S/NGBT/W/12/Add.3/Rev.2
Venezuela	S/NGBT/W/12/Add.14/Rev.2