

# WORLD TRADE ORGANIZATION

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## Negotiating Group on Movement of Natural Persons

### NOTE ON THE MEETING OF 26, 29 and 30 JUNE 1995

The Negotiating Group on Movement of Natural Persons held its seventh meeting under the chairmanship of Ambassador Bautista of the Philippines. The agenda was contained in Airgram WTO/AIR/114.

Regarding the first agenda item, Progress of the Bilateral Negotiations and Review of Draft Final Schedules, the Chairperson noted that only Australia and Switzerland had indicated conditional improvements to their schedules which were contained in the informal secretariat note of 15 June. Norway announced (and subsequently carried out) its intention to submit a conditional offer for independent services specialists covering a number of sectors who would be allowed to work in Norway on a contract basis without requiring compliance with an economic needs test. The European Community representative said that the submission of an offer from the EC and its Member States regarding services specialist personnel without commercial presence was under active consideration. The representative of the United States said that his delegation had submitted a very substantive offer in December 1993 and was currently considering making improvements to that offer in the broader negotiating context, which included whether developments in the financial services area were satisfactory.

The delegate of India, supported by Egypt and Pakistan, said that owing to the inevitable linkage between the negotiations on movement of persons and financial services, the two negotiations would either succeed or fail together. In recent bilateral negotiations, his delegation had indicated certain possibilities of improving its offer in financial services in the event that its trading partners came up with substantially improved offers on movement of natural persons without commercial presence. Subsequently the Indian delegation itself submitted a revised schedule which extended the duration of stay for foreign professionals working in India on a contract basis.

The delegate from the Philippines urged participants which had not yet done so to table firm offers on movement of persons. In a more long-term context, the delegate from the Dominican Republic raised the question of how to monitor whether the commitments on the fourth mode were actually being applied on a non-discriminatory basis given the fact that it would be individuals that would be affected and the potential problems in assessing a particular case of set of circumstances. The Canadian representative said that Canada was considering circulating improvements in its current offer if more progress could be made by developing countries in financial services and by certain developed country partners in movement of persons.

Regarding the next item - Procedural issues regarding Modification and Entry into Force of Schedules - the Chairperson said that since the last meeting of the Group the secretariat had circulated an informal note dated 2 June which contained a possible draft for a protocol to be adopted at the conclusion of the present negotiations. India submitted for the consideration of the Group a draft for

a third protocol to the GATS to cover commitments on movement of natural persons as well as the related draft Decision for adoption by the Services Council. Both documents were quite similar in their approach and wording to the relevant protocol and decision that were under discussion in the financial services negotiations. Some delegations then commented on particular matters including date of entry into force, length of period of acceptance, and the need for a mechanism in case of failure to adopt the protocol. It was agreed that further work would be necessary to finalize the texts.

In the light of developments in the financial services negotiations, there was broad agreement in the Group to present a draft Decision for adoption by the Services Council, which was due to meet later during the evening of 30 June, to the effect that the process for the revision of the schedules of specific commitments with respect to movement of persons would continue until 28 July 1995 with a view to achieving higher levels of commitments under the GATS. No matters were raised under Other Business and the Chairperson closed the meeting.