

INTRODUCTION

This training manual has been prepared under the evidence-based trade policymaking capacity- building programme of the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP). It is intended to serve as a reference manual for government officials tasked with the difficult job of preparing for, and conducting, negotiations on services liberalization in the context of an upcoming preferential trade agreement (PTA). It assumes that services negotiations will inevitably be part of a wider liberalization agenda being contemplated in the context of negotiations towards either a free trade agreement (FTA) or some other form of economic integration initiative. Therefore, readers are likely to be part of a much larger negotiating team, some of whom will negotiate on issues such as trade in goods, investment or government procurement while others will concentrate more narrowly on services negotiations.

Although this manual holds lessons for all trade negotiators and trade negotiations (including those at the multilateral level), it has been written with particular focus on services trade. It has also been drafted with a view to serving policymakers and trade negotiators in developing and transition economies. The authors have endeavoured, to the greatest extent possible, to rely on sources and reference materials already in the public domain. Readers can thus download most of the cited materials themselves without having to pay expensive subscriptions or other fees for access to content.

Use of this training manual is predicated on readers' having at least a basic understanding of the rules governing international trade in services, including those of the World Trade Organization's (WTO) General Agreement on Trade in Services (GATS). Because this training manual focuses on preparing negotiators for services negotiations in the context of a PTA or regional economic integration initiative, the authors have refrained from providing an explanation of GATS rules and principles; readers seeking more information on these aspects are referred to the many good (and mostly free) sources that exist, including the WTO Introduction to GATS¹ or UNCTAD's Dispute Settlement Training Manual on GATS.² Some familiarity with GATS rules can be considered a necessary starting point to using this publication.

In preparing this training manual, the authors have drawn on several decades of combined experience, either as trade negotiators or as advisors to trade negotiators in and/or from more than 40 countries, developed and developing. The authors have therefore endeavoured to tailor this work to the specific needs of, and challenges faced by, negotiators in developing countries and transition economies. A comprehensive treatment of the subject matter work would likely comprise several hundred pages,

¹ Available at www.wto.org/english/tratop_e/serv_e/gsintr_e.doc (accessed 31 May 2012).

² Available at http://unctad.org/en/docs/edmmisc232add31_en.pdf (accessed 31 May 2012).

but the authors have tried to keep this manual to a more easily accessible length. In doing so, it was assumed that readers will familiarize themselves with the contents of the manual in one or several sittings, and then use it as a reference for future work as particular needs arise. It is also for this reason that most of the sources used are open-access, allowing readers to delve more deeply into many of the sources cited.

Because it is primarily directed at policymakers and trade negotiators in developing countries and transition economies, this training manual also contains a lengthy section on Aid for Trade in services (chapter 3) which is intended: (a) to provide readers with some insight into the type of assistance that is available to stakeholders; (b) to stimulate readers to think about what type of assistance would best suit the specific needs of their economies; and (c) how to craft provisions in a PTA that will ensure such assistance is provided in a timely and effective manner as part of the quid pro quo inherent in any PTA's request-offer and mutual exchange of concessions dynamic.

This manual is based on the belief by both authors that developing countries and emerging economies are the ultimate masters of their own policy destinies. It is, accordingly, up to political leaders, policymakers and negotiators of such countries to approach trade negotiations with the proper preparations, a clear set of objectives and a well-conceived strategy for attaining these objectives. This manual is intended to be an aid in the pursuit of that task, no more and no less.

The authors hope they have provided a useful resource for policymakers and negotiators who have been tasked with the preparation and conduct of services negotiations in the context of an upcoming or pending PTA. It is also hoped that in doing so, a contribution has been made to closer economic integration and development cooperation between developed and developing countries, in the spirit of open regionalism.