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UNITED ARAB EMIRATES

Initial Offer

The following initial offer has been received from the delegation of the United Arab Emirates on 22 June, 2005 with the request that it be circulated to Members of the Council for Trade in Services.

INTRODUCTION:

1. Recognizing WTO Members commitment in these negotiations to achieve a progressively higher level of liberalization and to provide effective market access and in response to requests received from Members the United Arab Emirates (UAE) proposes the following new commitments on trade in services provided for in Article XIX of the General Agreement on Trade in Services (GATS) and pursuant to Paragraph 15 of the Doha Ministerial Declaration. This cover sheet should be regarded as forming an integral part of UAE's initial conditional offer.
2. Consistent with GATS Article I.3(b) and (c), this offer applies only to services open to private sector participants, and does not include the right to acquire or invest in government monopolies supplying services included within any of the sectors or sub-sectors covered by this offer. This offer cannot be construed as offering in any way the privatization of public undertakings or as preventing UAE from regulating public and private services in order to meet national policy objectives.
3. Under these proposed new GATS obligations, as under current obligations, the United Arab Emirates will continue to be able to establish, maintain, and fully enforce its domestic laws protecting, *inter alia*, consumers, health, safety, and the environment.
4. The United Arab Emirates reserves the right to withdraw, modify, or reduce this offer, in whole or in part, at any time on or prior to the closure of the negotiations if offers made by UAE's negotiating partners in areas of interest to UAE in the frame work of the Doha Development Agenda (DDA) are not satisfactory
5. The United Arab Emirates further reserves the right to make technical changes to this offer and to correct any errors, omissions, or inaccuracies.
6. This offer is based on the consolidated scheduled of UAE (S/DCS/W/ ARE). The individual sectors and sub-sectors are identified in accordance with the classification list in Document MTN.GNS/W/120 and corresponding CPC numbers wherever possible.

7. The editorial conventions used in this initial offer follow the guidelines established by the WTO Secretariat in JOB(05)/6, i.e.:

BOLD – New text

~~STRIKE OUT~~ – Deleted text

ITALICS – Where any **new** or ~~deleted~~ text constitutes merely a technical refinement that does not alter the scope or substance of an existing commitment.

8. Please direct any questions on this conditional offer to the Economic Affairs and the International Cooperation Department in the Ministry of Economy and Planning, or to the UAE Representative Office to the World Trade Organization in Geneva.

The Ministry of Economy and planning

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UNITED ARAB EMIRATES – INITIAL CONDITIONAL OFFER ON SERVICES

Modes of supply: (1) Cross-border (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
I. HORIZONTAL COMMITMENTS			
ALL SECTORS INCLUDED IN THIS SCHEDULE	<p>3) Commercial presence will be through either: (i) a representative office or a branch with no limitations on the participation of foreign capital (foreign ownership of 100% is granted), provided that such office or branch appoints a UAE "services agent". The obligations of "services agent" shall be confined to rendering services i.e. issuing necessary licenses without requiring a share in the capital or interfering in the management; or</p> <p>(ii) an incorporation as a company with maximum foreign equity participation of 49% subject to UAE law.</p> <p>For some specific sectors and sub-sectors as indicated below, participation of foreign capital may be increased to 75% ¹. Commercial presence for such sectors and sub-sectors is conditioned on benefits in the form of technology transfer, Research & Development programmes, technical assistance, and educational and training of local human resources.</p> <p>(iii) Free zones: 100% foreign ownership is permitted in Free Zones.</p>	<p>3) (i) Acquisition of land and real estate is not permitted to foreigners or to companies in which foreign nationals have a share holding.</p> <p>However, foreign companies authorized to carry on their activities in UAE may own land and real estate only to the extent necessary to conduct their activities, in accordance with laws and regulations governing ownership of real estate at the Federal and Emirate levels.</p> <p>(ii) Foreign nationals or companies with foreign share holdings may be required to pay direct taxes on income derived from work or operations in the UAE, whereas local services suppliers or local UAE companies may not be required to pay similar taxes keeping in view the provisions of paragraph (d) of Article XIV.</p> <p>(iii) Government subsidized services may only be extended to UAE nationals.</p>	

¹ The Implementation of that commitment is subject to the adoption and promulgation of the new Law on Companies, currently under discussion in the Federal Council (The legislative body).

Modes of supply: (1) Cross-border (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>4) Unbound except for measures concerning entry and temporary stay of natural persons who fall into one of the following categories:</p> <p>(i) <u>Business visitors</u>: persons not based in the territory of the UAE and receiving no remuneration from a source within the UAE, who visit the UAE on behalf of a service supplier for business negotiations (and not for selling services directly to the public) or for doing preparatory work for establishing commercial presence in the UAE. Entry for persons in this category shall not be for more than ninety days.</p> <p>(ii) <u>Intra-corporate transferees</u>: managers, executives and specialists (as defined below) who have been in the employment of a juridical person of another Member outside the UAE, for a period of not less than one year prior to the date of application for entry into the UAE and are being transferred to a branch or affiliate in the UAE of the aforesaid juridical person. Entry will be subject to the following conditions:</p>		<p>- The work right for the spouses of intra-corporate transferees is granted according to the UAE labour laws.</p> <p>- Transparency: All disciplines concerning labour, residency and work permits laws are publicly available. (Hard copies of the laws, Web site of the Ministry of Labour and Social Affairs – www.mol.gov.ae – and Guide Book for foreign employees).</p>

Modes of supply: (1) Cross-border (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>a) The number of managers, executives and specialists shall be limited to 50% of the total number of managers, executives and specialists of each service supplier.</p> <p>b) Their entry shall be for a period of one year subject to renewal for two additional years with a maximum of three years. Three years, renewable for additional periods.</p> <p>c) Their stay in the UAE will be subject to UAE labour and immigration laws.</p> <p><u>Definitions:</u></p> <p><u>Managers:</u> persons within an organization who primarily direct the organization or a department or sub division of the organization, supervise and control the work of other supervisory, professional or managerial employees, have the authority to hire or fire or recommend hiring, firing, or other personnel actions (such as promotion or leave authorization), and exercise discretionary authority over day-to-day operations. Does not include first-line supervisors unless the employees supervised are professionals nor does it include employees who primarily perform tasks necessary for the provision of the service.</p> <p><u>Executives:</u> persons within an organization, who primarily direct the management of the organisation, establish the goals and policies of the organisation, exercise wide latitude in decision making, and receive only general supervision or direction from higher-level executives, the board of directors or stockholders of the business. Executives would not directly perform tasks related to the actual provision of service or services of the organization.</p>		

Modes of supply: (1) Cross-border (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<u>Specialists</u> : persons within an organization who possess knowledge at an advanced level of continued expertise and who possess proprietary knowledge of the organization's services, research, equipment, techniques or management.		

Modes of supply: (5) Cross-border (6) Consumption abroad (7) Commercial presence (8) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
II. SECTOR-SPECIFIC COMMITMENTS			
1. BUSINESS SERVICES			
A. <u>Professional Services</u>			
a) Legal services (CPC 861) (Legal Advisory services)	1) None 2) None 3) Participation of foreign capital limited to 75% ¹ 4) Unbound, except as indicated in the horizontal section	1) None 2) None 3) Non-UAE lawyers cannot plead in UAE courts, or act before official bodies, or perform notarial functions. 4) Unbound, except as indicated in the horizontal section	
b) Accounting, auditing and book-keeping services (CPC 862)	1) None 2) None	1) None 2) None	
c) Taxation services: the following:	3) None Participation of foreign capital limited to 75%	3) None, except as indicated in the horizontal section	
- Business tax planning and consulting (CPC - 86301)	4) Unbound, except as indicated in the horizontal section	4) Unbound, except as indicated in the horizontal section	

¹ N.B: The UAE offer regarding legal services takes the legal form of a pre-commitment. The commitments as described above will be implemented only after the completion of a transitional period of five years i.e. until 31 Dec 2010.

Modes of supply: (5) Cross-border (6) Consumption abroad (7) Commercial presence (8) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
- Business tax preparation and review services (CPC - 86302)			
d) Architectural services (CPC 8671)			
e) Engineering Services (CPC 8672)			
g) Urban planning and landscape services (CPC - 8674)			
i) Veterinary services (CPC - 9320)			
B. <u>Computer and Related Services</u>			
a) Consultancy services related to the installation of computer hardware (CPC - 841)	1) None 2) None	1) None 2) None	
b) Software implementation services (CPC - 842)	3) None Participation of foreign capital limited to 75%	3) None, except as indicated in the horizontal section	
c) Data processing services (CPC - 843)	4) Unbound, except as indicated in the horizontal section	4) Unbound, except as indicated in the horizontal section	
d) Data base services (CPC - 844)			

Modes of supply: (5) Cross-border (6) Consumption abroad (7) Commercial presence (8) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
C. <u>Research and Development Services</u>			
a) R & D services on natural science (CPC - 851)	1) None 2) None	1) None 2) None	
b) R & D services on social science and humanities (CPC - 852)	3) None Participation of foreign capital limited to 75%	3) None	
c) Interdisciplinary R & D services (CPC - 853)	4) Unbound, except as indicated in the horizontal section	4) Unbound, except as indicated in the horizontal section	
E. Rental and Leasing Services without Operators (CPC 831) (Excluding leasing services relating to cars)			
a) Relating to ships CPC 83103	1) None	1) None	
c) Relating to other transport equipment 8301 + 83102 + 83105	2) None 3) Participation of foreign capital limited to 49%	2) None 3) None	
d) Relating to other machinery and equipment CPC 83106 – 83109	4) Unbound, except as indicated in the horizontal section.	4) Unbound, except as indicated in the horizontal section	

Modes of supply: (5) Cross-border (6) Consumption abroad (7) Commercial presence (8) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
F. <u>Other Business Services</u>	1) None	1) None	
a) Advertising services (CPC 871)	2) None	2) None	
s) Convention services (CPC 87909)	3) None Participation of foreign capital limited to 49%	3) None, except as indicated in the horizontal section	
	4) Unbound, except as indicated in the horizontal section	4) Unbound, except as indicated in the horizontal section	
b) Market research services (CPC - 864)	1) None	1) None	
	2) None	2) None	
c) Management consulting services (CPC 8650)	3) None Participation of foreign capital limited to 75%	3) None, except as indicated in the horizontal section	
e) Technical testing and analysis services (CPC - 8676)	4) Unbound, except as indicated in the horizontal section	4) Unbound, except as indicated in the horizontal section	
t) Translation and Interpretation Services (CPC 87905)			
2. COMMUNICATION SERVICES			
A. <u>Postal services</u> (transportation of Documents, Letter Posts, and Parcels CPC 7511)	1) None	1) None	
	2) None	2) None	
	3) None Participation of foreign capital limited to 49%	3) None, except as indicated in the horizontal section	
B. <u>Courier Services</u> (CPC 7512)	4) Unbound except as indicated in the horizontal section	4) Unbound, except as indicated in the horizontal section	

Modes of supply: (5) Cross-border (6) Consumption abroad (7) Commercial presence (8) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
C. <u>Telecommunication Services</u>			
<p>General conditions: The commitments taken are based on the scheduling principles provided by the following documents: “Notes for scheduling Basic Telecom Services Commitments (S/GBT/W/2/Rev.1) and “Market Access Limitations on Spectrum Availability” (S/GBT/W/3).</p> <ul style="list-style-type: none"> ▪ The UAE commitments are based on the UAE TELECOM Law and TRA (Telecommunication Regulatory Authority) regulatory framework. ▪ The UAE undertakes commitments as contained in the telecommunications reference paper, included in Annex A. ▪ Any network installed in UAE must be operated by a company registered in UAE, the foreign equity of which shall be limited to 49%. ▪ This schedule on basic telecommunication does not include any broadcasting services¹ according to the UAE TELECOM and the TRA regulatory framework on different issues including but not limited to the spectrum license (UAE). 			
a. Voice telephone services (CPC 7521) b. Packet-switched data transmission services (CPC 7523**) c. Circuit-switched data transmission services (CPC 7523**) d. Telex services (CPC 7523**) e. Telegraph services (CPC 7522**) f. Facsimile services (CPC 7521** + 7529**) g. Private leased circuit services (CPC 7522** + 7523**) h. Electronic mail (CPC 7523**) i. Voice mail (CPC 7523**)	1) Only companies with commercial presence may provide telecom services. 2) Residents are allowed to purchase telecom services in the territory of any member according to the regulatory framework in the UAE and in the territory of that member. 3) a) Duopoly until 31 Dec 2015. b) Starting no later than Dec 2015, the TRA will consider the feasibility of the suppliers additional to the duopoly. The commercial presence is required and subject to 49% foreign equity limitation. 4) Unbound, except as indicated in the horizontal section.	1) None, except as indicated in the market access column 2) None, except as indicated in the market access column 3) None 4) Unbound, except as indicated in the horizontal section	

¹ “Broadcasting service” is defined as a radio communication service in which the transmissions are intended for direct reception by the general public, including sound transmissions, television transmissions or other types of transmissions. In UAE TELECOM law, like many other countries, broadcasting is not part of basic telecommunication services.

Modes of supply: (5) Cross-border (6) Consumption abroad (7) Commercial presence (8) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
j. On-line information and database retrieval (CPC 7523**) k. Electronic data interchange (EDI) (CPC 7523) l. Enhanced/value-added facsimile services, incl. store and forward, store and retrieve (CPC 7523**) m. Code and protocol conversion (n.a.)			

Modes of supply: (5) Cross-border (6) Consumption abroad (7) Commercial presence (8) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
3. CONSTRUCTION AND RELATED ENGINEERING SERVICES			
A. <u>General Construction Work for Building</u> (CPC 512)	1) None Unbound*	1) None Unbound*	
B. <u>General Construction Work for Civil Engineering</u> (CPC 513)	2) None	2) None	
C. <u>Installation and Assembly Work</u> (CPC 514 + 516)	3) None Participation of foreign capital limited to 49%	3) None, except as indicated in the horizontal section	
D. <u>Building Completion and Finishing Work</u> (CPC 517)	4) Unbound except as indicated in the horizontal section	4) Unbound, except as indicated in the horizontal section	
E. <u>Other</u> (CPC 511 + 515 + 518)			
6. ENVIRONMENTAL SERVICES	1) None	1) None	
A. <u>Sewage Services</u> (CPC 9401)	2) None	2) None	
B. <u>Refuse Disposal Services</u> (CPC 9402)	3) None Participation of foreign capital limited to 49%	3) None, except as indicated in the horizontal section	
C. <u>Sanitation and Similar Services</u> (CPC 9403)	4) Unbound except as indicated in the horizontal section	4) Unbound, except as indicated in the horizontal section	
D. <u>Other</u>			

* *Unbound Due to lack of technical feasibility*

Modes of supply: (5) Cross-border (6) Consumption abroad (7) Commercial presence (8) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
7. FINANCIAL SERVICES <u>A. INSURANCE AND INSURANCE RELATED SERVICES</u>			
General conditions: <ul style="list-style-type: none"> ▪ The absence of any limitation on the ability of a service consumer in UAE to purchase the service in the territory of another member does not signify a commitment to allow a non-resident service supplier to solicit business or to conduct active marketing in the territory of UAE. ▪ Commercial presence is subject to the provisions regarding the licensing and registration of foreign companies as contained in the UAE pertinent laws ▪ Within the context of paragraph 2 (a) of the Annex on Financial services UAE shall not be prevented from taking measures for prudential reasons such as minimum capital requirement; minimum operating funds requirement and approval for business activities. 			
(i) Direct insurance a) Life and health insurance services (CPC 81211 and CPC 81212) (excluding pension fund management.) b) Non- life insurance services (including accident insurance (CPC 8129))	1) Commercial presence is required. 2) Unbound 3) - Transparent and non discriminatory Economic Needs Test shall apply to the commercial presence for branches of the new foreign insurance companies as well as of the existing foreign insurance companies. - The establishment of joint ventures with UAE life and non-life insurance companies is not allowed. 4) Unbound, except as indicated in the horizontal section.	1) Commercial presence is required 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section.	

Modes of supply: (5) Cross-border (6) Consumption abroad (7) Commercial presence (8) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(ii) Reinsurance and retrocession (CPC 81299)	1) None 2) None 3) Participation of foreign capital limited to 49% 4) Unbound, except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.	
(iii) Insurance intermediation: Brokers dealing with Direct Insurance¹ (CPC 8140**)	1), 2) Commercial presence is required 3) Participation of foreign capital limited to 49% 4) Unbound, except as indicated in the horizontal section	1), 2) None, expect as indicated in the Market access column 3) None 4) Unbound, except as indicated in the horizontal section.	
iv) Services auxiliary to insurance - Insurance consultancy (CPC 81402)	1), 2) Commercial presence is required. 3) Participation of foreign capital limited to 49% 4) Unbound, except as indicated in horizontal section.	1), 2) Commercial presence is required 3) None 4) Unbound, except as indicated in horizontal section.	

¹ For greater certainty "Direct Insurance" means: Life and health insurance services (CPC 81211 and CPC 81212) (excluding pension fund management.) and Non- life insurance services (including accident insurance (CPC 8129).

Modes of supply: (5) Cross-border (6) Consumption abroad (7) Commercial presence (8) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
- Actuarial services (CPC 81404)	1) Foreign service supplier must be registered at the UAE Ministry of Economy and Planning 2) None 3) Participation of foreign capital limited to 49% 4) Unbound, except as indicated in the horizontal section.	1) None, except as indicated in the Market access column 2) None 3) None 4) Unbound, except as indicated in the horizontal section.	
- Loss Adjustment, risk assessment and claim settlement services (CPC 81403)	1), 2) Commercial presence is required. 3) Participation of foreign capital limited to 49% 4) Unbound, except as indicated in the horizontal section.	1), 2) Commercial presence is required. 3) None 4) Unbound, except as indicated in the horizontal section.	
B. <u>Banking and Other Financial Services</u>			
Items a) to l) but not including item j) (Settlement and clearing services for financial assets)	1) None 2) None 3) (i) No limitations for establishment of representative offices; (ii) Unbound for new licences for operating bank branches; (iii) Unbound for the expansion of activities of existing financial entities. 4) Unbound except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.	

Modes of supply: (5) Cross-border (6) Consumption abroad (7) Commercial presence (8) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<p>9. TOURISM AND TRAVEL RELATED SERVICES</p> <p>A. <u>Hotels and Restaurants</u> (CPC 641-643)</p> <p>C. <u>Travel Guide Services</u> (CPC 7472)</p>	<p>1) None</p> <p>2) None</p> <p>3) None Foreign equity limited to 49%</p> <p>4) Unbound except as indicated in the horizontal section</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section</p>	
<p>11. TRANSPORT SERVICES</p> <p>A. <u>Maritime transport services</u> :</p> <p>a. Passenger transportation (CPC 7211)</p> <p>b. Freight transportation</p>	<p>1) None</p> <p>2) None</p> <p>3) Foreign equity limited to 49%</p> <p>4) Unbound except as indicated in the horizontal section</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section</p>	
<p><u>ENERGY SERVICES</u></p> <p>Services incidental to mining (CPC 883) including the following activities:</p> <ul style="list-style-type: none"> - On land Site preparation - On land rig installation - Drilling - Drilling bits services - Casing and tubular services - Mud engineering and supply - Solids control - Fishing and downhole special operations - Wellsite geology and drilling control - Core taking - Well testing - Wireline services - Supply and operation of completion fluids (brines) - Supply and installation of 	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) Unbound</p> <p>4) Unbound</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) Unbound</p> <p>4) Unbound</p>	

Modes of supply: (5) Cross-border (6) Consumption abroad (7) Commercial presence (8) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
completion devices - Cementing (pressure pumping) - Stimulation services (fracturing, acidising and pressure pumping) - Workover and well repair services - Plugging and abandoning of wells			

UNITED ARAB EMIRATES - FINAL LIST OF ARTICLE II (MFN) EXEMPTIONS

Sector or Sub-sector	Description of measure indicating its inconsistency with Article II	Countries to which the measure applies	Intended duration	Conditions creating the need for the exemption
All Sectors	Preferential treatment for service suppliers of the Gulf Co-operation Council (GCC) countries and (GAFTA) Great Arabian Free Trade Area	GCC countries GAFTA countries	Indefinite	GCC & GAFTA regional arrangement and eventual economic integration in the area of services.
Financial Services	Authorization for the entry/establishment/operation of foreign financial services suppliers (including banks and insurance companies) and the opening of new branches will be subject to the decision of competent authorities.	All countries	Indefinite	UAE is a small market and is already saturated. Preferential treatment, on a case-by-case basis, may have to be accorded in order to get mutually advantageous benefits for UAE.

24 April 1996

ANNEX A

Negotiating group on basic telecommunications

The Reference Paper

The following are definitions and principles on the regulatory framework for the basic telecommunications services.

Definitions

Users mean service consumers and service suppliers.

Essential facilities mean facilities of a public telecommunications transport network or service that:

- (a) are exclusively or predominantly provided by a single or limited number of suppliers; and
- (b) cannot feasibly be economically or technically substituted in order to provide a service.

A major supplier is a supplier which has the ability to materially affect the terms of participation (having regard to price and supply) in the relevant market for basic telecommunications services as a result of:

- (a) control over essential facilities; or
- (b) use of its position in the market.

1. Competitive safeguards

1.1 Prevention of anti-competitive practices in telecommunications

Appropriate measures shall be maintained for the purpose of preventing suppliers who, alone or together, are a major supplier from engaging in or continuing anti-competitive practices.

1.2 Safeguards

The anti-competitive practices referred to above shall include in particular:

- (a) engaging in anti-competitive cross-subsidization;
- (b) using information obtained from competitors with anti-competitive results; and
- (c) not making available to other services suppliers on a timely basis technical information about essential facilities and commercially relevant information which are necessary for them to provide services.

2. Interconnection

2.1 This section applies to linking with suppliers providing public telecommunications transport networks or services in order to allow the users of one supplier to communicate with users of another supplier and to access services provided by another supplier, where specific commitments are undertaken.

2.2 Interconnection to be ensured

Interconnection with a major supplier will be ensured at any technically feasible point in the network. Such interconnection is provided.

- (a) under non-discriminatory terms, conditions (including technical standards and specifications) and rates and of a quality no less favourable than that provided for its own like services or for like services of non-affiliated service suppliers or for its subsidiaries or other affiliates;
- (b) in a timely fashion, on terms, conditions (including technical standards and specifications) and cost-oriented rates that are transparent, reasonable, having regard to economic feasibility, and sufficiently unbundled so that the supplier need not pay for network components or facilities that it does not require for the service to be provided; and
- (c) upon request, at points in addition to the network termination points offered to the majority of users, subject to charges that reflect the cost of construction of necessary additional facilities.

2.3 Public availability of the procedures for interconnection negotiations

The procedures applicable for interconnection to a major supplier will be made publicly available.

2.4 Transparency of interconnection arrangements

It is ensured that a major supplier will make publicly available either its interconnection agreements or a reference interconnection offer.

2.5 Interconnection: dispute settlement

A service supplier requesting interconnection with a major supplier will have recourse, either:

- (a) at any time; or
- (b) after a reasonable period of time which has been made publicly known

to an independent domestic body, which may be a regulatory body as referred to in paragraph 5 below, to resolve disputes regarding appropriate terms, conditions and rates for interconnection within a reasonable period of time, to the extent that these have not been established previously.

3. Universal service

Any Member has the right to define the kind of universal service obligation it wishes to maintain. Such obligations will not be regarded as anti-competitive per se, provided they are administered in a transparent, non-discriminatory and competitively neutral manner and are not more burdensome than necessary for the kind of universal service defined by the Member.

4. Public availability of licensing criteria

Where a licence is required, the following will be made publicly available:

- (a) all the licensing criteria and the period of time normally required to reach a decision concerning an application for a licence; and
- (b) the terms and conditions of individual licences. The reasons for the denial of a licence will be made known to the applicant upon request.

5. Independent regulators

The regulatory body is separate from, and not accountable to, any supplier of basic telecommunications services. The decisions of and the procedures used by regulators shall be impartial with respect to all market participants.

6. Allocation and use of scarce resources

Any procedures for the allocation and use of scarce resources, including frequencies, numbers and rights of way, will be carried out in an objective, timely, transparent and non-discriminatory manner. The current state of allocated frequency bands will be made publicly available, but detailed identification of frequencies allocated for specific government uses is not required.
