



Working Party on Domestic Regulation

- DRAFT -

**ANNUAL REPORT OF THE WORKING PARTY ON DOMESTIC REGULATION
TO THE COUNCIL FOR TRADE IN SERVICES (2021)**

Revision

1. Since its 2020 annual report to the Council for Trade in Services¹, the Working Party on Domestic Regulation held one formal meeting, on 30 June 2021.²
2. At the meeting, the delegations of India and South Africa detailed their concerns with respect to the development of disciplines on domestic regulation through a Reference Paper by a Joint Initiative. The opening statement was circulated to all Members.³ At the meeting, the delegations of Sri Lanka, Venezuela, and Zimbabwe associated themselves with the statement by India and South Africa.
3. The concerns raised related to the legal status of the Joint Initiative and any possible outcome of its negotiations⁴, and the implications for the multilateral mandate under Article VI:4 of the GATS. Questions were also raised as to whether certain disciplines set out in the draft Reference Paper on Services Domestic Regulation that was being negotiated in the Joint Initiative would amend, interpret or dilute existing obligations under the GATS.
4. Twenty-one (21) delegations who are participants in the Joint Initiative noted that the disciplines developed by the Joint Initiative were GATS-plus in nature and did not affect the multilateral mandate. A clear legal pathway for the integration of the disciplines into participating Members' Schedules of Specific Commitments existed in the WTO, and the new additional commitments would apply to the benefit of service suppliers of all Members. In their responses, several of these delegations referred to a Note on the relationship between the disciplines negotiated in the Joint Initiative and the GATS.⁵
5. No convergence was reached among the Members.

¹ Annual Report of the Working Party on Domestic Regulation (2020), [S/WPDR/24](#), dated 27 November 2020.

² The Report of the meeting is contained in document [S/WPDR/M/77](#), dated 29 July 2021, and should be read in conjunction with this Annual Report.

³ [RD/SERV/WPDR/1](#), dated 1 July 2021.

⁴ As set out in document WT/GC/W/819/Rev.1, dated 30 April 2021.

⁵ [INF/SDR/W/4](#), dated 11 May 2020.