



ANNUAL REPORT OF THE WORKING PARTY ON GATS RULES TO THE COUNCIL FOR TRADE IN SERVICES (2013)

Since its Annual Report of 2012 to the Council for Trade in Services¹, the Working Party on GATS Rules (WPGR) held two formal meetings, on 20 March and 20 June 2013.² In addition, it met informally on 5 December 2012. During the period covered by this report, the Working Party continued to engage in discussions on all three GATS Rules subjects; however, progress on substance was limited due, inter alia, to the overall context of the DDA negotiations.

1 NEGOTIATIONS ON EMERGENCY SAFEGUARD MEASURES (ARTICLE X)

The proponents presented a revised version of their room document (RD/SERV/79/Rev.1), compiling their proposals and positions since 1995. This systematic reference documentation could, in their view, serve as a starting point for possible future work. They recalled that their October 2007 Communication (JOB(07)/155) proposed rules to implement a safeguard clause in a Member's domestic framework, not a fully-fledged one-size-fits-all mechanism. At the June 2013 meeting, the proponents suggested initiating a dedicated technical discussion on emergency safeguard provisions in regional trade agreements (RTAs) whereby Members, notably those that were signatories to agreements containing such provisions, could share their experiences. Members agreed to further discuss a possible framework for such a dedicated discussion at the next WPGR meeting.

2 NEGOTIATIONS ON GOVERNMENT PROCUREMENT (ARTICLE XIII)

The work on government procurement saw two main developments: firstly, it was agreed that Members would discuss a (yet to be finalized) WTO Staff Working Paper on the scope of government-procurement-related commitments in RTAs; secondly, at the June meeting, the Secretariat made a presentation on the main features of the revised Government Procurement Agreement (GPA), formally adopted in March 2012, and its significance for trade in services. The representative of the Secretariat stressed the interface and complementarity between the GPA and the GATS, both from a legal and economic perspective. The revision had an important services dimension, through additions notably in terms of public entities and services sectors covered by the Parties. The presentation was followed by a substantive and stimulating discussion.

3 NEGOTIATIONS ON SUBSIDIES (ARTICLE XV)

At the June meeting, several delegations made interventions based on the Secretariat's Background Note titled "*Subsidies for Services Sectors – Information contained in WTO Trade Policy Reviews*" (S/WPGR/W/25/Add.6). The Note presents updated empirical evidence of subsidy programmes in service sectors, based on information contained in the Secretariat's Trade Policy Review reports. Members agreed that more conceptual work needed to be undertaken to better understand how subsidies were provided and what trade effects they might have.

¹ S/WPGR/23, dated 29 November 2012.

² The reports of these meetings are contained in documents S/WPGR/M/80 and 81, and should be read in conjunction with this annual report.