

## COLLECTIVE REQUEST IN ENERGY SERVICES

### I. INTRODUCTION

Further to paragraphs 25 through 27 of the Hong Kong Ministerial Declaration, and in accordance with paragraphs 7 and 11(b) of Annex C of the Hong Kong Ministerial Declaration, the Permanent Delegation of the European Commission to the International Organisations in Geneva is pleased to present the delegation of [ ] with a collective request in Energy services on behalf of the following interested Members : Australia, Canada, the European Communities, Japan, Norway, The Kingdom of Saudi Arabia, Republic of Korea, Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu, Singapore, the United States.

This request identifies specific objectives for liberalization of Energy services, while recognizing the flexibilities provided for individual developing country Members in accordance with Article XIX.2 of the GATS. The aforementioned interested Members are also deemed to be recipients of this request.

In accordance with paragraph 7 of Annex C of the Hong Kong Ministerial Declaration, this collective request is intended to complement, and not supersede, the bilateral request-offer negotiations and the specificity of bilateral requests.

The Permanent Delegation of the European Commission to the International Organisations has the further pleasure to invite [ ] to participate in a plurilateral discussion of this request, which will be organized in Geneva during the Services cluster taking place from 27 March to 7 April 2006.

Please note that 22 other Members have received this collective request in Energy services from the aforementioned group of interested Members, and have also been invited to this plurilateral meeting.

The aforementioned interested Members reserve the right to modify the content of this request in the future. The list of interested Members is also subject to change.

Any comments regarding this request, including written questions of a technical nature in advance of the plurilateral meeting, may be addressed to:

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## **II. OVERALL OBJECTIVES OF THE REQUEST IN ENERGY SERVICES**

A thriving energy sector - including energy services - is today a basic element of economic well-being. The availability of varied sources of energy at competitive prices contributes to a nation's ability to compete in the world marketplace. There is a high correlation between rising or more efficient energy usage and economic growth, increased life expectancy, and higher standards of living. Moreover, modern energy services provide the means to develop energy resources in an environmentally sound manner and in ways that promote responsible and efficient development and use of energy resources.

For these reasons, ensuring that the ongoing negotiations result in a high level of liberalization for the supply of services relevant for a Member's energy sector, we make the present request to addressee Members. The request is being made with due respect for national policy objectives and the level of development of individual Members, both overall and in individual sectors.

This request is neutral with respect to energy source, technology, and whether offered onshore or offshore. Concurrently, the GATS explicitly recognizes the right of WTO Members to regulate services and to introduce new regulations to meet national policy objectives. It is stressed that the regulatory measures, which are important in the Energy sector, must be clearly defined, transparent and non-discriminatory. Please note that the request does not extend to the ownership of energy resources, which remains under the full sovereignty and sovereign rights of each Member, and is outside of the scope of GATS negotiations.

The following objectives are not intended to be a complete listing of the individual requesting Members' sectoral priorities for energy services, and leave open the possibility for other bilateral requests related to energy services.

### III. SECTORAL COVERAGE

We are requesting that commitments be taken with the widest possible sectoral coverage with at least the following services.

Because energy services constitute a closely interrelated set of activities, the absence of commitments in some of these services from a country's offer undermines the value of its other energy services commitments.

The order in which services are presented does not reflect their relative importance.

<u>W/120</u>	<u>CPC</u>	<u>Description</u>
1.A.e-f	8672-8673	Engineering and integrated engineering services
1.F.c-d	865-866	Management consulting services and services related to management consulting
1.F.e	8676 (partial)	Technical testing and analysis services (excluding services related to medical devices, food and food products)
1.F.h	883 5115	Services incidental to mining Site preparation work for mining
1.F.m	8675 (partial)	Related scientific and technical consulting services
1.F.n	8861-8866 (partial)	Maintenance and repair of: fabricated metal products, machinery and equipment, and electrical machinery (excluding maritime vessels, aircraft or other transport equipment)
3.B	5134-5136	Construction work for civil engineering: for long distance pipelines, for local pipelines, for constructions for mining
3.E	518	Renting services related to equipment for construction or demolition of buildings or civil engineering works with operator
4.B	62271	Wholesale trade services of solid, liquid and gaseous fuels and related products (excluding electricity and town gas)
4.C	63297	Retailing services of fuel oil, bottled gas, coal, and woods

#### **IV. SPECIFIC COMMITMENTS**

In order to achieve a progressively higher level of liberalization of trade in energy services, for the services listed in Part I above, we are requesting addressee Members to schedule new or improved commitments with respect to the objectives listed below.

**Mode 1 :** Since a number of energy services may be and are currently often provided through cross-border mode of supply, for those services we request :

- Substantial reduction of market access limitations
- Removal of existing requirements of commercial presence

**Mode 2 :** We request commitments whenever technically feasible.

**Mode 3 :** Commercial presence being an essential mode of supply for most energy service activities, we make the following request :

- Removal or substantial reduction of foreign equity limitations
- Substantial elimination of joint ventures and joint operations requirements for foreign service suppliers
- Removal or substantial reduction of economic needs tests
- Elimination of discriminatory licensing procedures

**Mode 4<sup>1</sup> :**

- Make commitments in accordance with paragraph 1(d) of Annex C of the Hong Kong Ministerial Declaration
- No general exclusion of energy services from horizontal Mode 4 commitments

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<sup>1</sup> For this element, the United States is not a requesting Member, but shall be deemed a recipient