

STATEMENT ON COMPLEMENTARY APPROACHES AND INTENSIFICATION OF THE REQUEST/OFFER APPROACH

Joint Statement of Brunei Darussalam, Indonesia, Malaysia
The Philippines and Thailand, CTS-SS, September 29, 2005
Delivered by H.E. Mr. Manuel A.J. Teehankee, Ambassador
and Permanent Representative of the Philippines to the WTO

1. We make this statement on behalf of Brunei Darussalam, Indonesia, Malaysia, the Philippines, and Thailand.
2. Let me begin by thanking once again those who have recently tabled proposals to facilitate the discussions on possible complementary approaches.
3. According to the Negotiating Guidelines, the request and offer method should be the main method of negotiations. After considerable reflection on the papers, like many other Members, we are still not clear how this will not in effect eventually replace the bilateral request-offer or reduce the request-offer process to a mere monitoring process.
4. They are also, in our view, sometimes too straightforward and neutral, that the methodologies proposed may not adequately capture, one, the developmental dimension of flexibility for developing countries and LDCs whose services sectors are in the early stage of development; and, two, some of the issues and concerns raised by a number of delegations such as proper treatment of Mode 4, horizontal commitments and classification issues.
5. Room for policy manoeuvre is very crucial as a well-functioning, well-diversified services sector means sustained growth, especially to developing Members. This is precisely because the GATS framework does not provide for post-commitment remedies apart from resorting to Article 21 or the waiver process; and faces as a sure consequence some form of obligation to compensate which can be highly punitive to small developing countries. As a matter of fact, quite ironically, we point out here that much has been made of that same manoeuvrability and flexibility provided by the GATS to question the need for our proposed Emergency Safeguards Mechanism in the services sector.
6. Each Member has scheduled its own limitations in one sector or subsector or another. We are currently allowed by the Agreement and the Guidelines to gradually and at our own pace liberalise our markets. And this opening up usually takes place where and when it corresponds to domestic priorities.
7. We also underscore the belief that services liberalization should be accompanied by sound macro-economic management and appropriate regulation and supervision. While we fully recognize the benefits of an open market, our authorities continue to carefully consider the pace and sequencing of further