# AD HOC 133 COMMITTEE SERVICES

**MD**: 051/02

**SOURCE**: Commission

FOR: Discussion

**DATE RECEIVED**: 06-03-02

Member States are requested to ensure that this text is not made publicly available and is only circulated to the officials concerned

# **GATS 2000**

# Request from the EC and its Member States (hereinafter the EC)

#### <u>to</u>

#### <u>Singapore</u>

#### **General remarks**

This request covers horizontal commitments, MFN exemptions and the following service sectors:

- Professional services
- Business services (other than professional services)
- Postal and courier services
- Telecommunications services
- Construction and related engineering services
- Distribution services
- Environmental services
- Financial services (banking, insurance, securities, other)
- Tourism and travel related services
- News agency services
- Transport (air, maritime, land, other) services
- Energy

The EC proposes that Singapore's current GATS commitments are revised in accordance with this request. The EC is both seeking improved commitments and clarification of existing commitments as set out in this Request. The EC is furthermore looking for a reduction in scheduled limitations whether these are horizontal or sector specific in nature.

The EC further requests that commitments are entered in accordance with the scheduling guidelines adopted by the Council of Trade in Services on 23

March 2001 (S/L/92). In particular, for each commitment or limitation entered the EC requests:

- that the sector and sub-sector are clearly identified in accordance with the classification list in Document MTN.GNS/W/120 or other internationally recognised classification (e.g. Financial Services Annex) and corresponding CPC number. If this is not possible, the schedule should contain a sufficiently detailed definition to avoid any ambiguity as to the scope of the commitment.
- that any remaining limitation on market access (hereafter "MA") or on national treatment (hereafter "NT") are clearly described and only be inscribed in the market access or national treatment columns if the measure is of a nature foreseen by Articles XVI-XVII GATS.

The EC remains available to provide any clarification and answer any question on this request. Questions can be addressed to the European Commission via the EC contact point, via the Delegation of the European Commission in Geneva, or at the following EC officials in Directorate-General Trade Unit D2 (Trade in services, including e-commerce):

Country Desk Officer:	Soeren Jakobsen	
	Tel: 32-2-2962571	
	e-mail : soeren.jakobsen@cec.eu.int	
General issues:	Joao Aguiar Machado, Head of Unit	
	Tel: 32-2 299 6310	
	e-mail : joao-luis.aguiar-machado@cec.eu.int	
	Anders C. Jessen, Deputy Head of Unit	
	Tel: 32-2 299 2457	
	e-mail: anders.jessen@cec.eu.int	

Note: The EC reserves the right to revise and/or supplement this request. For each service sector, W120 classification has been followed unless expressly indicated and CPCs refer to the Provisional CPC classification. The precise scope for each sector is without prejudice to the EC's final positions on classification issues and to the EC's classification of their existing commitments.

# **HORIZONTAL COMMITMENTS**

# **EC Request to Singapore**

#### Mode 3

- Either citizenship, residence or employment pass requirement (NT) with regard to managers/directors of foreign firms and with regard to representatives of foreign branches. A foreigner who is a Singapore Permanent Resident or a Singapore Employment Pass holder can register a business without appointing a local manager). **EC Request**: Remove general restrictions on citizenship, residence, and employment pass.

#### Mode 4

#### Intra-corporate transferees:

- Diffiulties are experienced in transferring specialists with less than four years graduate level work experience. **EC request**: Clarify how classification of "specialist" is determined.
- The EC requests that a commitment be made to allow as intra-corporate transferees « persons with a university degree or equivalent technical qualification who are transferring for career development purposes or to obtain training in business techniques or methods ». The maximum prior employment requirement should be one year.

#### **Business Visitors:**

- No specific commitment has been made. EC request: Make a commitment relating to Business Visitors who are not entering to themselves supply a service, but rather to either (a) establish a commercial presence or (b) negotiate and/or conclude salescontracts. The maximum length of stay should be at least 90 days in any 12 month period.

#### **Contractual Service Suppliers:**

A contractual service supplier is a juridical person with no commercial presence in Singapore, who has obtained a service contract in Singapore which requires the presence of its employees in Singapore in order to fulfil that contract. **EC request:** Take commitments for natural persons employed in the service sectors listed below and seeking temporary entry as contractual service suppliers. Such natural persons can be required to have a university degree or equivalent technical qualification – plus the appropriate professional qualifications where this is required by domestic law. The length of stay may be limited to the length of the contract.

#### List of sectors:

1. Business ServicesLegal ServicesAccounting and bookeeping services

Taxation services

Architectural services

**Engineering Services** 

Integrated engineering services

Urban planning and landscape architectural services

Computer and Related Services

Research and Development Services

Advertising

Management consulting services

Services related to management consulting

Technical testing and analysis services

Related scientific and technical consulting services

Maintenance and repair of equipment

Photographic services

Convention services

Translation services

# 3. Construction and related engineering services

Site investigation work (CPC 5111)

#### 4. Distribution Services

Wholesale trade services (CPC 622)

#### 6. Environmental Services

Water for human use & wastewater management Solid/hazardous waste management

#### 7. Financial Services

Services auxiliary to insurance, such as consultancy, actuarial, risk assessment and claim settlement services

Advisory, intermediation and other auxiliary financial services on all the activities listed in the subparagaphs (v) to (xv) of the classification of the Annex on Financial Services, including credit reference and analysis, investment and portfolio research and advice, advice on acquisitions and on corporate restructuring and strategy

#### 9. Tourism and Travel Related Services

Tourist Guide Services (CPC 7472)

#### **Other**

- MA - "Specific commitments in market access in any sector or sub-sector, through any mode of delivery, shall not be construed to override the limitations established in the financial services sector". EC request: Clarify purpose and effect of this entry.

#### Additional commitments.

- Difficulties are experienced as a result of the length of time taken to process employment passes. The EC wishes to discuss the possibility of taking additional commitments to address this issue.

Note: Mode 4 is covered horizontally in this part for all service sectors. The sectoral requests in the following pages only refer to mode 4 when specifically related to one particular service sector.

# PROFESSIONAL SERVICES

#### **EC Request to Singapore**

Singapore has committed this sector only partially. The EC requests that this sector is committed as follows:

# a) Legal Services (CPC 861)

This sub-sector is not committed and is subject to a MFN exemption. **EC Request:** 

- Commit covering at least consultancy on public international law and on law of jurisdiction where the service supplier or its personnel are qualified lawyers
- Modes 1, 2, 3: Take full commitments, i.e. schedule "none" under MA and NT
- Mode 4: Commit as referred to in the section "Horizontal commitments"
- Remove the MFN exemption.

# b) Accounting, auditing and bookkeeping services (CPC 862)

- This sub-sector is not committed for bookkeeping services (CPC 8622). **EC Request:** Extend sectoral coverage of commitments to this CPC
- Mode 4: NT This mode remains unbound. **EC Request**: Commit as referred to in the section "Horizontal commitments"

# c) Taxation Services (CPC 863)

- Mode 4: NT – This mode remains unbound. **EC Request**: Commit as referred to in the section "Horizontal commitments"

#### d) Architectural services (CPC 8671)

- Mode 3: MA Requirement of registered architect participation in partnerships or as directors or shareowners of corporations. EC Request: Remove
- Mode 3: MA Residency requirement for registered architects in charge of controlling architectural work. **EC Request**: Remove
- Mode 4: NT This mode remains unbound. **EC Request**: Commit as referred to in the section "Horizontal commitments"

# e) Engineering services (CPC 8672)

- This sub-sector is not committed for the entire CPC 8672. **EC Request:** Extend sectoral coverage of commitments to the entire CPC
- Mode 1: NT Residency requirement. **EC Request**: Remove
- Mode 3: MA Requirement of registered engineer participation in partnerships or as directors or shareowners of corporations. EC Request: Remove
- Mode 3: MA Residency requirement for registered engineers in charge of controlling professional engineering work. EC Request: Remove

- Mode 4: NT – This mode remains unbound. **EC Request**: Commit as referred to in the section "Horizontal commitments"

# f) Integrated engineering services (CPC 8673)

# g) Urban planning and landscape architectural services (CPC 8674)

These sub-sectors are not committed. **EC Request** for each of these two sub-sectors:

- Modes 1, 2, 3: Take full commitments, i.e. schedule "none" under MA and NT
- Mode 4: Commit as referred to in the section "Horizontal commitments"

-

# **BUSINESS SERVICES (other than Professional Services)**

#### EC Request to Singapore

#### **General comment:**

Singapore has used neither W120 nor CPC in their schedule, making comparison of commitments difficult.

The EC suggests to Singapore to make reference to Business services as classified in W/120 and refer to the relevant CPC codes.

Mode 4: NT – For those sub-sectors where commitments have been made, this mode remains unbound. **EC request**: Commit as referred to in the "Horizontal Commitments".

# **B. Computer and Related Services:**

#### General

This sub-sector has only been partially committed. **EC request**: Extend coverage to include all of CPC 84 and schedule commitments at the two-digit level – i.e. CPC 84:

Mode 4: NT – This mode remains unbound. **EC request**: Commit as referred to in the horizontal section.

In view of the rapid technological advances which have taken, and continue to take place, in this sub-sector, the EC proposes to seek clarification at a multilateral level as to what services are considered to be covered under CPC Prov 84.

#### C. Research and Development Services:

Singapore does not appear to have committed this Sector. The EC requests that it be committed as follows:

- a. R&D Services on natural sciences (CPC 851)
- b. R&D Services on social sciences and humanities (CPC 852)
- c. Interdisciplinary R&D services. (CPC 853)

For each of the above sub-Sectors:

- Modes 1 and 3 : Take full commitments, i.e. schedule "none" under MA and NT
- Mode 4: Commit as referred to in the section "Horizontal commitments".

NB: Singapore has made commitments on "Industrial Research", "Commercial Market Research" and "Economic and Behavioural Research", but it is not clear whether these would fall under "Research and Development Services" in W/120, or under "Other Business Services" as part of "b. Market Research and Public Opinion Polling." This request assumes the latter.

#### D. Real Estate Services:

Singapore has not committed this Sector. The EC requests that it be committed as follows :

- a. Involving own or leased property (CPC 821)
- b. On a fee or contract basis (CPC 822)

For each of the above sub-Sectors:

- Modes 1, 2, 3 : Take full commitments, i.e. schedule "none" under MA and NT.
- Mode 4: Commit as referred to in the section "Horizontal commitments".

#### E. Rental and Leasing Services without Operators:

Singapore has not committed this Sector. The EC requests that it be committed as follows :

- a. Relating to ships (CPC 83103)
- c. Relating to other transport equipment (CPC 83101 + 83102 + 83105)
- d. Relating to other machinery (CPC 83106 83109)

For each of the above sub-sectors:

- Modes 1, 2, 3 : Take full commitments, i.e. schedule "none" under MA and NT.
- Mode 4: Commit as referred to in the section "Horizontal commitments".

# F. Other Business Services:

**NB**: Requests (if any) on (h) - services incidental to mining, and (j) - services incidental to energy distribution, are covered in those sections of the request dealing with Energy Services and Construction Services.

Singapore has not committed the following sub-Sectors. The EC requests that they be committed as follows :

- a. Advertising (CPC 871)
- d. Services related to management consulting (CPC 866)
- e. Technical testing and analysis services (CPC 8676)
- k. Placement and supply services of personnel (CPC 872)
- m. Related scientific and technical consulting services (CPC 8675)
- n. Maintenance and Repair of Equipment (not including transport equipment) (CPC 633 + 8861-8866)
- p. Photographic Services (CPC 875)
- q. Packaging Services (CPC 876)
- r. Printing and Publishing Services (CPC 88442)

For each of the above sub-Sectors:

- Modes 1, 2, 3 : Take full commitments, i.e. schedule "none" under MA and NT.
- Mode 4: Commit as referred to in the section "Horizontal commitments".
- I. Security Services (CPC 87302 87309)
- Mode 3 : MA Commit with no form of establishment or equity limitation. Full NT commitment i.e. schedule "none".
- Mode 4: Commit as referred to in the section "Horizontal commitments".

#### b. Market research and Public Opinion Polling (CPC 864)

Singapore appears to have partially committed this sub-sector under its commitments on "Industrial Research", "Commercial Market Research" and "Economic and Behavioural Research". **EC request**: Please confirm our understanding. Please extend sectoral coverage to all of CPC 864.

# c. Management consulting services (CPC 865)

Singapore appears to have committed this sub-sector under its commitment on "Management consultancy services". **EC request**: Please confirm our understanding. The EC reserves the right to make a request in this sub-sector in the light of Singapore's response.

#### s. Convention Services (part of CPC 87909)

Singapore appears to have committed this sub-sector under its commitment on "Exhibition Management services". **EC request**: Please confirm our understanding. The EC reserves the right to make a request in this sub-sector in the light of Singapore's response.

# **POSTAL AND COURIER SERVICES**

# **EC Request to Singapore**

This request includes sub-sectors that are listed under the negotiating proposal of the EC (S/CSS/W/61). The work on the revision of classification of this sector is still underway. For this reason, the sub-sectors lack reference to CPC.

Singapore has only partially committed this sector (commitments in courier services). The EC requests Singapore to commit this sector as follows, based on the EC proposal for the revised classification of postal and courier services:

# Services relating to the handling1 of postal items2, whether for domestic or foreign destinations:

# A. Handling of addressed written communications on any kind of physical medium3, including:

- Hybrid mail services
- Direct mail
- B. Handling of addressed parcels and packages4
- C. Handling of addressed press products5
- D. Handling of items referred to in A. to C. above as registered or insured mail.
- E. Express delivery services for items referred to in A. to C. above.
- F. Handling of non-addressed items.
- G. Document exchange.
- H. Other services not elsewhere specified.

#### For sub-sectors B., C., E., F. and G.:

- Modes 1, 2 and 3: Undertake full commitments for market access and national treatment.
- Mode 4 : Commit as referred to in the section « Horizontal commitments ».

<sup>1</sup> The term "handling" should be taken to include clearance, sorting, transport and delivery.

<sup>2 &</sup>quot;Postal item" refers to items handled by any type of commercial operator, whether public or private.

<sup>3</sup> E.g. letter, postcards.

<sup>4</sup> Books, catalogues are included hereunder.

<sup>5</sup> Journals, newspapers, periodicals.

<sup>6</sup> Express delivery services may include, in addition to greater speed and reliability, value added elements such as collection from point of origin, personal delivery to addressee, tracing and tracking, possibility of changing the destination and addressee in transit, confirmation of receipt.

# For sub-sectors A. and D.:

- Modes 1, 2 and 3: Undertake commitments for market access and national treatment.
- Mode 4: Commit as referred to in the section « Horizontal commitments ».

# Philippine's current commitments:

- Market access :
- Modes 1 and 3: « Unbound». EC request: Schedule « None ».

# TELECOMMUNICATION SERVICES

# **EC Request to Singapore**

Singapore has only partially committed this Sector. The EC requests that this Sector is committed as follows:

#### All modes

There are no commitments in telex and telegraph services, Enhanced/Value-Added Facsimile services and Code and Protocol Conversion. **EC request:** Make full commitments for all these sub-sectors, i.e. schedule "None".

For facilities-based local and international Public Switched services<sup>7</sup> and local and international Leased Circuit Services, as well as mobile services, each service must be licensed through a public tender process. **EC request:** Remove this restriction on the number of operators.

For the same services, the schedule states that "the number of licences may be limited due to scarce resources, such as rights of way". **EC request:** Remove this provision which should not affect market access or national treatment.

# Mode 1 - Cross-border supply

There is a requirement that "VAN does not carry traffic which resembles any of the basic telecommunication services" for value added services. EC request: Remove this requirement.

For Value-added Network (VAN) services (which cover electronic-mail, voice-mail, on-line information and data-base retrieval, electronic data interchange, on-line information and/or data processing), there is a provision requiring that cross-border supply be subject to commercial arrangements with licensed operator(s). EC request: Remove this provision.

For VAN, Foreign companies are required to either set up a local branch of their company duly registered with the Registry of Companies and Businesses in Singapore, or grant a power of attorney to a local agent for the provision of their VAN services in Singapore. EC request: suppress this provision in the schedule.

#### Mode 3 - Commercial presence

For facilities-based local and international Public Switched services<sup>8</sup> and local and international Leased Circuit Services, as well as mobile services, Foreign ownership restrictions is limited to a cumulative total of 73.99% foreign shareholding, based on 49% direct investment and 24.99% indirect investment in these operators. **EC request:** Remove these restrictions on foreign ownership.

<sup>&</sup>lt;sup>7</sup>This includes voice, data and facsimile services.

<sup>&</sup>lt;sup>8</sup>This includes voice, data and facsimile services.

For all (whether facilities-based or resale-based) local and international Public Switched services<sup>9</sup> and local and international Leased Circuit Services, as well as mobile services, there is a provision as regards National Treatment that states: "None, except as indicated in horizontal commitments". **EC Request**: remove this reference to horizontal commitments.

For Value-added Network (VAN) services, there is a provision requiring that cross-border supply be subject to commercial arrangements with licensed operator(s). **EC request:** Remove this provision.

For VAN, Foreign companies are required to either set up a local branch of their company duly registered with the Registry of Companies and Businesses in Singapore, or grant a power of attorney to a local agent for the provision of their VAN services in Singapore. **EC request:** suppress this provision in the schedule.

<sup>&</sup>lt;sup>9</sup>This includes voice, data and facsimile services.

# **CONSTRUCTION AND RELATED ENGINEERING SERVICES**

# **EC Request to Singapore**

# <u>General</u>

Singapore has taken commitments in this Sector in Modes 1, 2 and 3. Singapore has committed this Sector only partially in Mode 4. The EC requests that this Sector is committed as follows:

# All sub-sectors (CPC 511 to CPC 518)

- This Sector is defined as "construction services". **EC Request:** Refer explicitly to "CPC 51 (511 to 518)"
- Mode 4: NT This Mode remains unbound. **EC Request:** Commit as referred in the section "Horizontal commitments".

# **DISTRIBUTION SERVICES**

# **EC Request to Singapore**

Singapore has not committed this Sector. The EC requests that this Sector is committed as follows:

- A. Commission agents' services (CPC 621, 6111+6113+6121)
- B. Wholesale trade services (CPC 622, 6111+6113+6121)
- C. Retailing services (CPC 631+632, 6111+6113+6121+613)
- D. Franchising (CPC 8929)

# For each of the above sub-sectors:

- Modes 1, 2, 3: Take full commitments, i.e. schedule "none".
- Mode 4: Commit as referred in the section "Horizontal commitments".

Note: The EC is prepared to discuss exceptions for a very limited number of extremely sensitive goods, such as arms, ammunitions and explosives.

Note: In accordance with the W120 classification, the EC Request on "Repair services of personal and household goods" (CPC 633) is included under "1. Business services / F. Other business / n. Maintenance and repair".

# **ENVIRONMENTAL SERVICES**

# **EC Request to Singapore**

Singapore has not undertaken commitments in environmental services. The EC requests Singapore to commit the following subsectors, based on the EC proposal for the classification of environmental services:

#### A. Water for human use & wastewater management

- Water collection, purification and distribution services through mains, except steam and hot water
- Waste water services (CPC 9401)

# B. Solid/hazardous waste management

- Refuse disposal services (CPC 94020)
- Sanitation and similar services (CPC 94030)

# C. Protection of ambient air and climate

 Services to reduce exhaust gases and other emissions and improve air quality (CPC 94040)

# D. Remediation and cleanup of soil & water

 Treatment, remediation of contaminated/polluted soil and water (part of CPC 94060)

#### E. Noise & vibration abatement

- Noise abatement services (CPC 94050)

#### F. Protection of biodiversity and landscape

- Nature and landscape protection services (part of CPC 94060)

#### G. Other environmental & ancillary services

- Other environmental protection services not classified elsewhere (CPC 94090)

#### For each of the above sub-sectors:

- Modes 1 (where technically feasible), 2 and 3 : Undertake full commitments for market access and national treatment.
- Mode 4: Refer to horizontal commitments.

# **FINANCIAL SERVICES**

# **EC Request to Singapore**

#### **General**

- **EC Request**: Undertake commitments in accordance with the Understanding on Commitments in Financial Services.

#### **Insurance**

- Modes 1 and 2: MA and NT MAT insurance. **EC Request**: Schedule according to Understanding.
- Mode 3: MA 49 % restriction on foreign ownership in domestic insurance companies. **EC Request**: Eliminate this cap.
- Mode 3: MA Ban on establishment of new insurance companies /representative offices. **EC Request**: Remove this ban.
- Mode 3: MA Obligation that mandatory MTPL and workman's accidents be underwritten with a Singapore licensed company. **EC Request**: Eliminate this obligation.
- Mode 3: MA Requirement that compulsory third party automobile liability and workers compensation insurance is purchased only from licensed insurance companies in Singapore. **EC Request**: Eliminate this requirement.
- Mode 3: MA and NT Obligation of compulsory reinsurance cessions (5%). **EC Request**: Eliminate this obligation.
- Mode 3: MA and NT Lack of flexibility for reinsurance terms and premiums. **EC Request**: Allow more flexibility.
- Mode 3: MA and NT Restrictions on distribution of life dividends to shareholders (maximum 10% of surplus). **EC Request**: Remove those restrictions.
- Mode 3: MA and NT Limitations on foreign currency and overseas holdings of admitted life assets. **EC Request**: Remove those limitations.
- Mode 3: MA and NT Access for non-Singaporean insurance brokers. **EC Request**: Remove this restriction.

# Banking and other financial services

- Mode 1: MA and NT Provision and transfer of financial information and financial data processing. **EC Request**: Schedule according to Understanding.
- Mode 3: MA No new full and restricted commercial banks, and no new finance companies. **EC Request**: Eliminate those limitations.
- Mode 3: MA and NT Remittance shops to be majority owned by Singapore citizens. **EC Request**: Remove this condition.
- Mode 3: MA Only subsidiaries to trade in financial futures. **EC Request**: Remove this restriction.
- Mode 3: MA and NT Foreign stock broking companies can establish only as non-members of the SES. **EC Request**: Remove this limitation.
- Mode 3: MA and NT Foreign commercial banks can operate from only one office. **EC Request**: Eliminate this restriction.
- Mode 3: MA and NT Foreign commercial banks cannot establish off-premise ATMs. **EC Request**: Remove this limitation.
- Mode 3: MA and NT Foreign commercial banks cannot establish new subbranches. **EC Request**: Remove this restriction.
- Mode 3: NT Provision of all electronic banking services. **EC Request**: Bind.
- Mode 3: MA New entry into the domestic banking market is limited to 5% single foreign ownership in existing banks. **EC Request**: Eliminate this cap.
- Mode 3: MA and NT Merchant banks can operate from only one office. **EC Request**: Remove this restriction.
- Mode 3: MA and NT A 5% restriction on portfolio investment in domestic companies and media entities limits global asset management activities of foreign banks. **EC Request**: Eliminate this limitation.
- Mode 3: MA and NT Limitation of provision of clearance and settlement services to designated suppliers. **EC Request**: Remove this limitation.
- Mode 3: MA and NT Prohibition applied to offshore banks from core banking activities in Singapore dollars (e.g. local currency safety deposits, credit cards, ATMs) (Singapore dollars can now be used for international transactions under certain conditions.). **EC Request**: Eliminate this prohibition.

- Mode 3: NT Requirement of approval for many routine transactions in Singapore dollars (not required if purpose is economic activity in Singapore). **EC Request**: Remove this requirement.
- Mode 3: NT Restriction applied to banks with restricted licences in taking local currency deposits. **EC Request**: Eliminate this restriction.
- Mode 3: NT Restrictions on offering savings accounts. **EC Request**: Remove those restrictions.
- Mode 3: NT Foreign banks' branches are not allowed to use parent's capital to meet prudential requirements if their home country regulation and supervision has implemented Basle or equivalent standards. **EC Request**: Allow such a possibility.
- Mode 3: NT Concerning regulation on branch capital, the fact that the branch's head office or another foreign bank guarantees additional lending volume is not taken into account. **EC Request**: Remove this restriction.
- Mode 3: MA and NT Restriction on foreign firms to be full members of stock exchange or to acquire equity interest in a member. **EC Request**: Eliminate this restriction.
- Mode 3: MA and NT Restriction on foreign firms to be new primary registered dealers of government securities. **EC Request**: Remove this restriction.
- Mode 3: MA and NT Restriction on additional foreign acquisition of shares in local securities firms. **EC Request**: Eliminate this restriction.
- Mode 3: MA and NT Limitation on acquisition of certain strategic stocks. **EC Request**: Remove this limitation.
- Mode 3: MA and NT Restriction on portfolio investment in domestic companies. **EC Request**: Eliminate this restriction.
- Mode 3: MA and NT Restriction on access in asset management through staffing and other requirements not needed for investor protection. **EC Request**: Remove this restriction.

#### MFN exemption

- Reinsurance - Exemption granted to ASEAN Reinsurance Corporation to be established with a paid up capital of S\$ 6 instead of S\$ 10.

**EC Request**: Remove this preferential treatment.

# **TOURISM AND TRAVEL RELATED SERVICES**

# **EC Request to Singapore**

The EC suggests to Singapore to make reference to tourism and travel related services as classified in W/120 and refer to the relevant CPC codes.

# B. Travel agencies and tour operators services (CPC 7471)

Mode 3:

Market access: Remove limitation on form of establishment (private limited company only)

National treatment: Bind this mode, and take full commitments.

# **NEWS AGENCY SERVICES**

# **EC request to Singapore**

Singapore has not committed this sector (CPC 962). The EC requests that this Sector be committed as follows:

# EC Request (CPC 962):

- Modes 1-3: Take full commitments, i.e. schedule "none" under MA and NT.
- Mode 4: Commit as referred to in the section "Horizontal commitments".

# TRANSPORT SERVICES

# **EC Request to Singapore**

#### A. Maritime transport

Singapore has specific commitments with certain restrictions for maritime transport. Restrictions relate in particular to: passengers, and for auxiliary services such as cargo-handling, customs clearance, container stations which are not committed.

**EC request**: Take commitments in accordance with the attached model schedule (Annex 1). In particular for the following areas:

- 1) <u>International transport</u> (freight and passengers) CPC 7211 and 7212
- 2) Additional commitments for access to and use of ports facilities
- 3) <u>Maritime auxiliary services</u> (maritime cargo handling, storage and warehouse services, customs clearance services, container station and depot services, maritime agency services)
- 4) <u>Multimodal activities</u>: for inland forwarding of cargoes commit the ability to rent or lease or to have access to and use of multimodal facilities (as specified in the note to the schedule).
- 5) <u>Definitions</u> commit definitions as specified in the model schedule.

For information purposes and acknowledging that Singapore has for geographical reasons concentrated maritime activities in one commercial port under the same authority, the EC would also ask Singapore to consider whether any of the following additional maritime commitments could be of relevance for Singapore:

- 6) <u>Equipment.</u> To facilitate planning of their businesses operators should be allowed to reposition their own equipment, such as empty containers, between ports [areas] in Singapore, when it is not carried against payment. This is requested to be committed in a new footnote:
- 7) <u>International cargo.</u> Notwithstanding the general exclusion of "cabotage" in the definitions of the model schedule (see Annex 1) an international maritime transport supplier should be allowed to operate feeder services for its own international cargo between ports [areas] in Singapore. This is requested to be committed in a new footnote:

A final request related to maritime transport is:

- 8) Rental and leasing of vessels with crew (CPC 7213, 7223). **EC request**:
- Modes 1, 2 and 3: Take full commitments, i.e. schedule "none", under MA and NT

- Mode 4: Commit as in horizontal commitments. Singapore has currently restricted this activity to international transport.

# C. Air transport

- Singapore has no commitments for air transport
- 1) Maintenance and repair of aircraft and parts thereof.

#### **EC** request:

- Modes 2 and 3: Take full commitments, i.e. schedule "none", under MA and NT
- Mode 4: Commit as referred in the section "Horizontal commitments"
- 2) Selling and marketing.

#### **EC** request:

- Modes 1, 2 and 3: Take full commitments, i.e. schedule "none", under MA and NT
- Mode 4: Commit as referred in the section "Horizontal commitments"
- 3) Computer Reservation Systems.

#### **EC** request:

- Modes 1, 2 and 3: Take full commitments, i.e. schedule "none", under MA and NT
- Mode 4: Commit as referred in the section "Horizontal commitments"
- 4) Groundhandling services, as specified in the attached definitions (Annex 2).

#### **EC** request:

- Modes 2 and 3: Take full commitments, i.e. schedule "none", under MA and NT
- Mode 4: Commit as referred in the section "Horizontal commitments"
- 5) Airport management services, as specified in the attached definitions (Annex 2).

#### **EC** request:

- Mode 3: Take full commitments, i.e. schedule "none", under MA and NT
- Mode 4: Commit as referred in the section "Horizontal commitments"

#### E. Rail transport

Singapore has no commitments for this activity.

d) Maintenance and Repair of Rail Transport Equipment (CPC 8868).

#### **EC** request:

- Modes 2 and 3: Take full commitments, i.e. schedule "none", under MA and NT
- Mode 4: Commit as referred in the section "Horizontal commitments"

#### F. Road transport

Singapore has no commitments for these subgroups.

b) Freight Transportation (CPC 7123).

#### **EC** request:

- Mode 3: Take full commitments, i.e. schedule "none", under MA and NT
- Mode 4: Commit as referred in the section "Horizontal commitments"

#### d) Maintenance and Repair of Road Transport Equipment (CPC 6112)

# **EC** request:

- Modes 1, 2 and 3: Take full commitments, i.e. schedule "none", under MA and NT
- Mode 4: Commit as referred in the section "Horizontal commitments"

#### H. Services Auxiliary to All Modes of Transport

b) Storage and Warehouse Services (CPC 742)

#### **EC** request:

- Modes 2 and 3: Take full commitments, i.e. schedule "none", under MA and NT
- Mode 4: Commit as referred in the section "Horizontal commitments"

# c) Freight Transport Agency/Freight Forwarding Services (CPC 748) and Pre-Shipment Inspection (part of CPC 749)

New Zealand has commitments which are restricted to the context of maritime transport.

#### **EC** request:

- Modes 1, 2 and 3: Take full commitments, i.e. schedule "none", under MA and NT
- Mode 4: Commit as referred in the section "Horizontal commitments"

# **MFN Exemptions**

#### **Maritime Transport Services:**

Singapore has an MFN exemptions that allows for measures concerning maritime related storage and warehousing, freight forwarding, inland trucking and container station and depot services. The undertaking of the commitments to bind the current level of market access and treatment to services and services supplier, in the subsectors will be through the conclusion of bilateral shipping agreements.

**EC request:** Remove exemption (see EC requests for maritime transport based on the model schedule, which would include these activities).

# **Air transport - Computer reservation systems**

Singapore has a MFN exemptions where market access and national treatment are based on reciprocity in mutual concessions, but not necessarily in the same areas, as established under bilateral Air Services Agreements.

**EC request:** Remove or specific limitations to issues directly relating to CRS-systems (see EC request under air transport).

# **Annex 1: SCHEDULE ON MARITIME TRANSPORT SERVICES**

Sector or Sub-Sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
TRANSPORT SERVICES  MARITIME TRANSPORT SERVICES			The following services at the port are made available to international maritime transport suppliers on reasonable and no discriminatory terms and conditions
International Transport (freight and passengers) CPC 7211 and 7212 less cabotage transport	(b) Bulk, tramp, and other international shipping, including passenger transportation; none	1) (a) None (b) None	<ol> <li>Pilotage</li> <li>Towing and tug assistance</li> <li>Provisioning, fuelling and watering</li> <li>Garbage collecting and ballast waste disposal</li> <li>Port Captain's services</li> <li>Navigation aids</li> <li>Shore-based operational services essential to ship operations, including communications, water and electrical supplies</li> <li>Emergency repair facilities</li> <li>Anchorage, berth and berthing services</li> <li>See note</li> </ol>
TRANSPORT SERVICES MARITIME TRANSPORT SERVICES  International Transport (freight and passengers) CPC 7211 and 7212 less	2) None	2) None	

Transport services 5 EC Request to Singapore

Sector or Sub-Sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
cabotage transport (cont.)	3) (a) Establishment of registered company for the purpose of operating a fleet under the national flag of the State of establishment: unbound	3) (a) Unbound	
	(b) Other forms of commercial presence for the supply of international maritime transport services (as defined below – 2): none	(b) None	3) (b) See Notes 2, 3,
	4) (a) Ships' crews: unbound	4) (a) Unbound	
	(b) Key personnel employed in relation to a commercial presence as defined under mode 3b) above: Unbound except as in horizontal section	(b) Unbound except as in horizontal section	
MARITIME AUXILIARY SERVICES			
Maritime Cargo Handling Services (as defined below – 4)	Unbound* except for – no     limitation on transhipment (board     to board or via the quay) and/or on     the use of on-board cargo handling     equipment		
	2) None	2) None	

Transport services 6 EC Request to Singapore

Sector or Sub-Sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	3) None**	3) None	
	4) Unbound except as in horizontal section	4) Unbound except as in horizontal section	
Storage and warehousing Services CPC 742	1) Unbound*	1) Unbound*	
	2) None	2) None	
	3) None**	3) None	
Customs Clearance Services (as defined	4) Unbound except as in horizontal section	4) Unbound except as in horizontal section	
below – 5)	1) Unbound*	1) Unbound*	
	2) None	2) None	
	3) None**	3) None	
	4) Unbound except as in horizontal section	4) Unbound except as in horizontal section	
MARITIME AUXILIARY SERVICES (cont.)			
Container Station and Depot Services (as defined below – 6)	1) Unbound*	1) Unbound*	
defined below – 0)	2) None	2) None	
	3) None**	3) None	

<sup>\*</sup> A commitment on this mode of delivery is not feasible.

<sup>\*\*</sup> Public utility concession or licensing procedures may apply in case of occupation of the public domain.

Sector or Sub-Sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	4) Unbound except as in horizontal	4) Unbound except as in horizontal	
	section	section	
Maritime Agency Services (as defined below – 7)	1) None	1) None	
	2) None	2) None	
	3) None	3) None	
	4) Unbound except as in horizontal	4) Unbound except as in horizontal	
	section	section	
(Maritime) Freight Forwarding Services (as defined below - 8)	1) None	1) None	
	2) None	2) None	
	3) None	3) None	
	4) Unbound except as in horizontal section	4) Unbound except as in horizontal section	

Transport services 8 EC Request to Singapore

#### NOTE TO THE SCHEDULE

Where road, rail, inland waterways (and) (related) (auxiliary) services are not otherwise fully covered in (this) (a Member's) schedule, a multimodal transport operator shall have the ability to rent or lease trucks, railway carriages or barges, and related equipment, for the purpose of inland forwarding of cargoes, or have access to, and use of, these forms of multimodal activities on reasonable and non-discriminatory terms and conditions for the purpose of carrying out multimodal transport operations. (« Reasonable and non-discriminatory terms and conditions » means, for the purpose of (multimodal transport operations), (this additional commitment), the ability of the multimodal transport operator to arrange for the conveyance of its merchandise on a timely basis, including priority over other merchandise which has entered the port at a later date).

#### **DEFINITIONS**

- 1. Without prejudice to the scope of activities which may be considered as « cabotage » under the relevant national legislation, this schedule does not include « maritime cabotage services », which are assumed to cover transportation of passengers or goods between a port located in ... (name of country or, for EEC, « a Member State ») and another port located in ... (name of the country or, for EEC, « the same Member State ») and traffic originating and terminating in ... the same port located in (name of country, or for the EEC, « a Member State ») provided that this traffic remains within ... (name of country or « this Member State »)'s territorial waters.
- 2. « Other forms of commercial presence for the supply of international maritime transport services » means the ability for international maritime transport service suppliers of other Members to undertake locally all activities which are necessary for the supply to their customers of a partially or fully integrated transport service, within which the maritime transport constitutes a substantial element. (This commitment shall however not be construed as limiting in any manner the commitments undertaken under the cross-border mode of delivery).

These activities include, but are not limited to:

- marketing and sales of maritime transport and related services through direct contact with customers, from quotation to invoicing, these services being those operated or offered by the service supplier itself or by service suppliers with which the service seller has established standing business arrangements;
- (b) the acquisition, on their own account or on behalf or their customers (and the resale to their customers) of any transport and related services, including inward transport services by any mode, particularly inland waterways, road and rail, necessary for the supply of the integrated services;
- (c) the preparation of documentation concerning transport documents, customs documents, or other documents related to the origin and character of the goods transported;
- (d) the provision of business information by any means, including computerised information systems and electronic data interchange (subject to the provisions of the annex on telecommunications);
- (e) the setting up of any business arrangements (including participation in the stock of a company) and the appointment of personnel recruited locally (or, in the case of foreign personnel, subject to the horizontal commitment on movement of personnel) with any locally established shipping agency;

Transport services 9 EC Request to Singapore

- (f) acting on behalf of the companies, organising the call of the ship or taking over cargoes when required.
- 3. « Multimodal transport operators » means the person on whose behalf the bill of lading/multimodal transport document, or any other document evidencing a contract of multimodal carriage of goods, is issued and who is responsible for the carriage of goods pursuant to the contract of carriage.
- 4. « Maritime cargo handling services » means activities exercised by stevedore companies, including terminal operators, but <u>not including</u> the direct activities of dockers, when this workforce is organised independently of the stevedoring or terminal operator companies. The activities covered include the organisation and supervision of:
- the loading/discharging of cargo to/from a ship;
- the lashing/unlashing of cargo;
- the reception/delivery and safekeeping of cargoes before shipment or after discharge.
- 5. « Customs clearance services » (alternatively « customs house brokers' services ») means activities consisting in carrying out on behalf of another party customs formalities concerning import, export or through transport of cargoes, whether this service is the main activity of the service provider or a usual complement of its main activity.
- 6. « Container station and depot services » means activities consisting in storing containers, whether in port areas or inland, with a view to their stuffing/stripping, repairing and making them available for shipments.
- 7. « Maritime agency services » means activities consisting in representing, within a given geographic area, as an agent the business interests of one or more shipping lines or shipping companies, for the following purposes:
  - marketing and sales of maritime transport and related services, from quotation to invoicing, and issuance of bills of lading on behalf of the companies, acquisition and resale of the necessary related services, preparation of documentation, and provision of business information;
  - acting on behalf of the companies organising the call of the ship or taking over cargoes when required.

10

8. « Freight forwarding services » means (the activity consisting of organising and monitoring shipment operations on behalf of shippers, through the acquisition of transport and related services, preparation of documentation and provision of business information).

Transport services

# Annex 2 Facilitating air transport services

#### **Ground-handling Services**

Efficient ground-handling is essential to the proper functioning of air transport and competition between operators in this area ensures that proper use is made of air transport infrastructure. It helps reduce the operating costs of airlines and improves the quality of service for airport users.

For specialised groundhandling suppliers the following activities are requested:

- Ground Administration supervision and administration at the airport (CPC 7461);
- Passenger Handling assisting arriving, departing and transfer passengers (CPC 7461);
- Baggage Handling handling baggage in the sorting area (CPC 7461);
- Freight and Mail Handling physical handling of freight and mail, dealing with security and customs procedures (CPC 74110 (container handling services) and 74190 (other cargo handling services);
- Ramp Handling marshalling and moving the aircraft, loading and unloading of aircraft, transport of passengers, freight, supplies (CPC 7469).
- Aircraft Services cleaning the aircraft, heating and cooling, removal of snow and ice (CPC 7469);
- Fuel and Oil Handling organisation and provision of fuel and oil;
- Aircraft Maintenance covered specifically by the Annex as above;
- Flight Operations and Crew Administration preparation of the flight, inflight and post-flight assistance, crew administration;
- Surface Transport organisation and execution of transport within airport
   except to and from aircraft;
- Catering Services administration, storage, preparation and delivery of bar and food supplies (CPC 6423). [Catering is listed for only for information purposes as this activity is classified and committed by Singapore as part of tourism services]

#### Airport management services

Airport management services constitute the core activities of airport services providers and cover: Airport operation services (excl. cargo handling), including passenger air terminal services and ground services on air fields, including runway operating services, on a fee or contract CPC 74610. Activities are also related to "other management consulting services" (CPC 86509) and activities separately specified under "other management services not elsewhere classified"(CPC 86609). A commitment will allow services suppliers to take an equity stake in - and engage in the overall operation and management of - airports when these are open for investments from private operators. Thereby it will bind existing common practices in the sector.

# **ENERGY SERVICES**

# **EC Request to Singapore**

This request includes services that are listed under the negotiating proposal of the EU (S/CSS/W/60). The work on the classification of these services is still underway. For this reason, some activities therefore lacks reference to CPC.

The EC requests that this area is committed as follows:

# A. Services related to exploration and production

• CPC 883: Services incidental to mining

#### **EC Request:**

- Mode 3 And 4: Eliminate the limitation to advisory and consulting services.
- CPC 8675: Related scientific and technical consulting services This sub-sector is not committed. **EC Request:**
- Mode 3: Take full commitments, i.e. schedule "none".
- Mode 4: Commit as referred in the section "Horizontal commitments".
- CPC 511 and CPC 513: Construction and related engineering services
- Mode 4: NT This Mode remains unbound. **EC Request:** Commit as referred in the section "Horizontal commitments".

# B. Services related to the construction of energy facilities

**B.1 Construction of energy facilities** 

# **CPC 513: Construction work for civil engineering**

CPC 51340: For long distance pipelines, communication and power lines (cables)

CPC 51350: For local pipelines and cables; ancillary works

# CPC 51360: For constructions for mining and manufacturing

- Mode 4: NT – This Mode remains unbound. **EC Request:** Commit as referred in the section "Horizontal commitments".

#### B.2 Installation and assembly work

# **CPC 516: Installation and assembly work**

- Mode 4: NT – This Mode remains unbound. **EC Request:** Commit as referred in the section "Horizontal commitments".

#### C. Services related to networks

# C.1 Operation of transportation/transmission and distribution facilities

- CPC 887: Services incidental to energy distribution
- This sub-sector is not committed. **EC Request:**
- Modes 3 : Take commitments for operation of networks not part of the integrated system.
- Mode 4: Commit as referred in the section "Horizontal commitments".
- CPC 71310: Transportation of petroleum and natural gas This sub-sector is not committed. **EC Request:**
- Modes 3 : Take commitments for operation of networks not part of the integrated system.
- Mode 4: Commit as referred in the section "Horizontal commitments".

# D. Storage services

- CPC 74220: Bulk storage services of liquids or gases
- This sub-sector is not committed. **EC Request:**
- Mode 3: Take full commitments, i.e. schedule "none".
- Mode 4: Commit as referred in the section "Horizontal commitments".

#### E. Services for the supply of energy

#### E.1 Wholesale of energy products

 CPC 62271: Wholesale trade services of solid, liquid and gaseous fuels and related products

This sub-sector is not committed. **EC Request:** 

- Mode 3 : Take full commitments for solid and liquid fuels and related products.
- Mode 4: Commit as referred in the section "Horizontal commitments".
- Wholesale trade services of electricity

#### **EC Request:**

- Modes 3 : Take commitments.
- Mode 4: Commit as referred in the section "Horizontal commitments".

#### E.2 Retail sale of energy products

- CPC 63297: Retail sale of fuel oil, bottled gas, coal and wood This sub-sector is not committed. **EC Request:**
- Mode 3: Take full commitments, i.e. None.
- Mode 4: Commit as referred in the section "Horizontal commitments".

# E.3 Trading of energy products

### **EC Request:**

- Modes 1, 2, 3 : Take full commitments for non-network energy products and commitments for network-energy products.
- Mode 4: Commit as referred in the section "Horizontal commitments".

# E.4 Brokering of energy products

# **EC Request:**

- Modes 1, 2, 3 : Take full commitments for non-network energy products and commitments for network-energy products
- Mode 4: Commit as referred in the section "Horizontal commitments".

# G. Services related to decommissioning

# **EC Request:**

- Modes 3: Take full commitments, i.e. schedule "none".
- Mode 4: Commit as referred in the section "Horizontal commitments".
- in the sector of "Transport services" in this respect