

A document containing "Reflections of the chair", i.e. xxxxxxxxxxxxxxxx, at the conclusion of the Round taking place on 2-3 and 5 October 2012, which was "the fifth round" of discussions.

This key document reflects the outcome of the negotiation taking place informally from January to September and the consensus reached by the parties to the process.

All the elements of the Agreement are already clearly defined at that time. A hybrid approach (mixed positive and negative), ratchet and standstill, and "removal of existing measures".

Attached is the list of participants of the fifth round taking place on 2-3 and 5 October 2012. A high level of representation.

Chair's Reflections and Proposal for Next Steps

The fifth round of discussions on a plurilateral services agreement took place from 2-3 October in Geneva. The discussions concentrated on moving towards consensus on ambition and architecture, and covered new and enhanced disciplines to be included in the agreement.

There was a very rich discussion. Many participants demonstrated significant flexibility, despite strong preferences, to find a way forward on an agreement with high ambition, that would attract broad participation, and which could be multilateralised in the future.

Based on these discussions, this statement reflects the Chair's views on focus areas for future work that could lead to a consensus on a framework for the agreement, including the following possible core elements:

- incorporating core GATS provisions including, at least, articles on scope, definitions, market access, national treatment and exceptions;
- a horizontal commitment for national treatment, subject to appropriate exceptions and reservations;
- a GATS approach to listing commitments for market access;
- standstill and ratchet applied to national treatment, subject to appropriate exceptions and reservations - further technical work will be required to understand how this could be operationalized;
- on market access, have as one of the negotiating objectives the binding of autonomous levels of liberalisation, subject to appropriate exceptions; and
- negotiations to include new market access, encompassing both new bindings and removal of existing restrictive measures.

In addition, we identified five elements of a tool kit for multilateralisation:

- using the GATS as a basis for our work to ensure compatibility with WTO commitments and facilitate broad participation;
- including an accession clause;
- in principle, including a mechanism that would enable the parties to multilateralise the agreement on the basis of a critical mass (critical mass to be defined later);
- taking components of the plurilateral agreement to the relevant WTO committee negotiations (for example, on domestic regulation); and
- securing WTO consensus to include the agreement as a fifth GATS plurilateral agreement (but noting this is not possible at this time).

There was significant interest in including new and enhanced disciplines in any outcome. Participants identified a relatively long list of topics and will need to put forward proposals to drive these discussions. To facilitate negotiations proposals should be made prior to discussions in December where possible. This would not preclude participants bringing forward proposals later in the negotiations.

A logical next step for our work to facilitate a consensus around these core elements would be to examine how they could be operationalised in schedules. Participants offered to develop and circulate mock schedules or examples of how commitments could be framed ahead of discussions in November. This would be to prepare the ground for possible agreement on a framework in December and allow us to progress to serious negotiations in 2013.