





Home | Documents | 2017 Trade Declaration

BRICS Trade in Services Cooperation Roadmap

Annex III to the <u>7th Meeting of the BRICS Trade Ministers Statement</u>
August 31, 2017

Background

- 1.1 For all BRICS members, services industry contributes to more than half of the GDP, and services trade is becoming an increasingly important part of their foreign trade. According to the WTO statistics, in 2015, the BRICS' service exports totaled \$ 0.54 trillion US dollars, accounting for 11.3% of global service exports. In terms of overall services trade, the aggregate of BRICS countries reached nearly \$1.3 trillion which is 13.9% of the global commercial services trade. The BRICS members have a strong willingness to strengthen cooperation in the field of services and services trade, and have taken joint efforts to advance cooperation. In 2015, the Strategy for BRICS Economic Partnership was approved by BRICS leaders, in which the services sector was identified as a priority area for future collaboration, notably through further encouraging cooperation in service industry and trade in services, and enhancing the productivity and efficiency of manufacturing sector by developing service industry. In 2016, the BRICS trade ministers highlighted the importance of enhancing cooperation in trade in services and endorsed the Framework for Cooperation on Trade in Services, which identified possible areas of cooperation such as tourism, health, audio visual, professional, computer and related services, research and development, telecommunication and financial services. In Goa, the services industry was identified as a key area of BRICS members' future collaboration in BRICS leaders' speeches.
- 1.2 Based on previous discussions, BRICS members reaffirm their commitment to further enhance cooperation on services and services trade, in order to add driving force to BRICS economy as well as to create conducive environment for development.

[back to top]

Vision and Principles

2.1 Vision

This roadmap aims at further enhancing BRICS cooperation in order to achieve the following midterm and long-term visions, while accepting the diverse perspectives of BRICS members on the subject.

- 2.1.1 Increased competitiveness of the BRICS members' services sector at the regional and global level and enhanced capacity to achieve sustainable development through services sector development and services trade.
- 2.1.2 Enhanced effectiveness of cooperation among BRICS members on services trade, leading to the increased impact of the BRICS in global services trade.
- 2.1.3 Increased participation of BRICS members' micro, small and medium-sized enterprises (MSMEs) in services sectors in regional and global value chains, leading to greater contribution to local economic development and job creation.

2.1.4 Enhanced supply capacity to meet BRICS members' increasing demand for more efficient, diversified and innovative services, through knowledge and skills development.

2.2 Principles

To achieve the above goals, BRICS members are encouraged to cooperate on the basis of the following principles:

2.2.1 Recognizing and respecting differences

BRICS members agree to pursue the vision of this roadmap taking into account the diverse perspectives and varying levels of liberalization, while at the same time recognizing and respecting social and cultural differences.

2.2.2 Sharing Opportunities

BRICS members recognize the value of information sharing with a view to develop trade in services, and will seek to work together amongst each other and/or collectively.

2.2.3 Improving trade relations

Bearing in mind the possible complementarities as well as social, cultural and economic differences between BRICS members, a pragmatic approach to enhance services trade cooperation and dialogue shall be adopted, and priority given to key sectors that offer the greatest opportunity for mutual benefit.

2.2.4 Win-win cooperation

Bilateral, plurilateral and collective cooperations are encouraged among BRICS members to achieve win-win and all-win. Whenever possible, cooperation in capacity building for services trade among BRICS members should be strengthened.

Areas of Cooperation, Information Exchanges and Capacity Building

3.1 Areas of Cooperation

3.1.1 BRICS members agree to seek to identify, in accordance with the Framework for Cooperation on Trade in Services, sectors to initiate exploration and dialogue on possible ways to cooperate, among others:

Tourism and travel related services

Healthcare services

Audio-visual Services

Professional services

Computer and related services

Research and development services

Other business services

Telecommunication services

Financial services

Construction and related engineering services

Distribution services

Educational services, including skill development

3.1.2 The roadmap endeavors to enhance cooperation including exchange of information and promote and facilitate trade in services cooperation among BRICS countries.

3.2 Information Exchange

- 3.2.1 Conduct joint research on the basis of consensus in services trade, exchange views on a regular or ad hoc basis and identify areas for cooperation. For all research projects, members will review the relevant Terms of Reference (ToR) to be proposed by the presidency or any other member and determine the entity or organization to which it will be committed.
- 3.2.2 Encourage the exchange of experience and expertise regarding the services trade sections in FTA agreements, cooperation protocols, MOUs and other projects which are signed or implemented in BRICS members.

3.3 Cooperation in Statistics

- 3.3.1 Support BRICS members' statistics agencies to carry out data reconciliation, analysis and information exchange, as well as regular exchanges on best practices related to methodologies for the collection and compilation of services trade data.
- 3.3.2 Encourage collaboration of statistical organizations in the BRICS member countries for capacity development in capturing services sector data. Explore exchanging trade data with partner countries to reduce the burden of data collection.

3.4 Capacity Building

- 3.4.1 To encourage and support the strengthening of BRICS members' capacity in services trade management, promotion, statistics, negotiation and international collaboration, through measures including but not limited to training and joint research. The beneficiaries include government agencies, research institutions, non-governmental organizations, enterprises etc.
- 3.4.2 To support research institutions and associations in their work regarding frontier technology, new business models and cutting-edge industries in services trade. To promote cooperation and, where feasible, a shared understanding, amongst BRICS members on emerging areas, including new services.

3.5 Coordination

- 3.5.1 Strengthen the regulatory dialogue: The BRICS members agree to exchange experiences and information on services regulations, and, where possible, to explore possibilities for mutual recognition of regulatory standards in line with international standards.
- 3.5.2 Regulatory transparency: All BRICS members are encouraged to publish all relevant rules, regulations and laws relating to trade in services, preferably in one of the official languages of the WTO.

3.6 Promotion activities

- 3.6.1 Facilitate the promotion of activities for exchanges between governments, enterprises and associations, in order to encourage cooperation.
- 3.6.2 Encourage participation in exhibitions and trade fairs related to services sectors in BRICS members. Encourage setting up a section for services trade among BRICS members in their existing and planned state-level economic and trade fairs.
- 3.7 BRICS members agreed that this roadmap shall be concluded and implemented without prejudice to existing or future services trade agreements.

Communication and Implementation

Establish a liaison mechanism in BRICS members by the existing focal points of the Framework for Cooperation on Trade in Services. Issues regarding implementation of the roadmap should be reported and consulted through the liaison mechanism. BRICS will hold annual meetings back to back with CGETI meetings to review progress, assess the effectiveness and implementation of this Roadmap, identify specific areas of future cooperation.

Source: Official website of the 2017 Xiamen Summit

[back to top]