

**45th trade negotiating forum – services**

**27-29 APRIL 2023**

**TO BE HELD AT**

**BIRCHWOOD HOTEL AND CONFERENCE CENTRE,**

**jOHANNESBURG, SOUTH AFRICA**

**DRAFT Annotated AGENDA**

1. **Opening Remarks**

The Chairperson (Angola, due to expected absence of Chairperson from the Democratic Republic of the Congo - DRC) and the Secretariat will make welcoming and opening remarks.

1. **Adoption of the Agenda and Programme**

The meeting is invited to consider and adopt the draft Agenda and the draft Programme for the meeting, attached as documents **SADC/TNF-Serv./45/2023/1** and **SADC/TNF-Serv./45/2023/2**, respectively.

1. **Update on the ratification of the SADC Protocol on Trade in Services**

3.1. TNF-Services will recall that the SADC Committee of Ministers of Trade (CMT) has repeatedly urged Member States that have not yet ratified the Protocol on Trade in Services to fast-track their national ratification processes. To date, eleven Member States have submitted their instruments of ratification, and the Protocol came into force on 13 January 2022.

3.2. TNF-Services is invited to request the Member States whose ratification is still awaited (DRC, Madagascar and Tanzania) to provide updates on their progress.

3.3 TNF-Services is also invited to request the Member States whose accession to and ratification of the Protocol is still awaited (Angola and the Comoros) to provide updates on their progress.

1. **CONSIDERATION OF A STUDY REPORT ON RECREATIONAL, CULTURAL AND SPORTING SERVICES**
   1. TNF-Services will recall that the Secretariat has commissioned studies on each of the service sectors covered by the second round. The meeting will receive a first draft and presentation of a sector study on recreational, cultural, and sporting services.
   2. TNF is invited to:
   3. Take note of the presentation and study recommendations.
   4. Encourage Member States to review the draft study and provide written comments by [15 May 2023];
   5. Urge Member States to use the study findings in the preparation of their offers in the recreational, cultural, and sporting services.
2. **CONSIDERATION OF A POLICY BRIEF ON DISTRIBUTION SERVICES**
3. TNF-Services will recall that the study on distribution services has been on-going since 2021 but is yet to be completed. To assist Member States with preparation of their second round offers, a summary policy brief has been developed by the Secretariat and will be presented to the meeting.
4. TNF-Services is invited to note that the Secretariat is keen to convene a first meeting of the SFG-Distribution Services alongside its 46th meeting.
5. TNF is invited to consider the draft policy brief and encourage Member States to make use of it, as may be relevant, in preparation of their national requests and offers in distribution services.
6. **CONSIDERATION OF THE REPORT OF THE 3RD SECTOR FOCUS GROUP (SFG)-BUSINESS SERVICES MEETING**
   1. TNF-Services will recall that the SFG-Business Services was constituted primarily to assist TNF-Services in identifying the trade negotiating issues in the business services sector, based on development trends, trade barriers and regulatory challenges, and to consider issues relating to Mutual Recognitions Agreements (MRAs). TNF will also recall that the SFG-Business Services held its first two meetings from 9-11 May 2022 and 21-23 November 2022.
   2. TNF-Services is invited to note that the SFG-Business Services will have held its third meeting from 26-27 April 2023, preceded by a regional workshop on developing SADC MRAs for professional services held from 24-26 April 2023, in Johannesburg, South Africa. The main objective of the workshop will have been to develop a common understanding of different approaches in developing MRAs for professional services in line with Article 7 of the Protocol on Trade in Services. The 3rd SFG-Business Services will have considered the recommendations of the workshop as well as matters arising from the 2nd SFG-Business Services meeting.
   3. The workshop and the 3rd SFG-Business Services meeting will have been attended by representatives of national and regional professional associations. The report of the 3rd SFG-Business Services meeting, which will take into account recommendations from the MRAs workshop, will be appended as document **SADC/TNF-Serv./45/2023/3**.
   4. TNF is invited to receive and consider the recommendations in the report of the 3rd SFG-Business Services meeting in document **SADC/TNF-Serv./45/2023/3**.
7. **MEMBER STATES’ REQUESTS AND OFFERS FOR LIBERALISATION OF TRADE IN SERVICES**
   1. **Angola’s initial offer** 
      1. TNF-Services will recall that, at its 44th meeting, Angola informed the meeting that she had submitted to the Secretariat for technical verification and translation her initial offer on trade in services with respect to the sectors prioritised in the first round of SADC trade in services negotiations. TNF welcomed the submission of the initial offer and looked forward to receiving a presentation at its next meeting.
      2. TNF is invited to note that, following the technical check by the Secretariat, Angola has since submitted her initial offer as in document **SADC/TNF-Serv./1R/IO/AGO** for circulation to the Member States. TNF will receive a presentation from Angola on her initial offer, and Member States will be invited to comment or request for revisions, as may be appropriate.
      3. TNF is invited to:
      4. consider Angola’s initial offer in document **SADC/TNF-Serv./1R/IO/AGO** and provide comments and/or requests for any revisions;
      5. urge Member States that would like to engage in bilateral negotiations on Angola’s initial offer to liaise with Secretariat and Angola, for necessary logistical arrangements; and
      6. urge Angola to consider Member States’ comments/requests in revising its initial offer, as appropriate, and submit a revised offer for consideration by TNF-Services at its next meeting.
   2. **Second round of SADC negotiations**
      1. **Key issues for considerations in presenting second round offers.**
         1. TNF-Services will recall that at its 44th meeting it tasked the Secretariat to liaise with Member States and offer technical assistance in their preparations for second round requests and offers, including support with national preparatory workshops. TNF is invited to note that, following from previous national workshops, the Secretariat has been engaging with the following Member States with indicative dates for national workshops as follows: Mauritius (May 2023); Seychelles (July 2023); South Africa (June 2023) and Zimbabwe (June 2023). Communication with other Member States is also in progress.
         2. TNF will recall that paragraph 6 of the SADC Negotiating and Scheduling Guidelines for the Second Round, requires Member States to use of Central Product Classification (CPC) version 2.1 in tabling their offers. In this regard, a summary classification list covering the second-round sectors, based on CPC 2.1, and following the format of the WTO Services Sectoral Classification List (W/120), has been developed by the Secretariat to guide Member States (document **SADC/LC/2R/W120/2.1**)**.**
         3. TNF is further invited to note that the Secretariat has developed draft “baseline offers” for Member States to use in the preparation of their initial offers for the second round. The baseline offers consolidate each Member State’s existing commitments in the sectors covered by the second round at the WTO, SADC (construction and energy-related services) and AfCFTA (business services). The aim of the baseline offers is to facilitate Member States’ preparation of their offers and provide a basis for considering any improvements in those commitments to be offered at the SADC level as well as consideration of new service sectors and subsectors not previously committed.
         4. The Secretariat will present the methodology used for compiling the draft baseline offers, including the use of CPC Version 2.1, as was used in the model schedules that were developed for construction and energy-related services. Model schedules for each of the second-round sectors have been developed and are contained in the following documents:
8. Business services – **SADC/LC/2R/Bus**
9. Distribution services – **SADC/LC/2R/Dis**
10. Educational services – **SADC/LC/2R/Edu**
11. Environmental services – **SADC/LC/2R/Env**
12. Human health and social care services – **SADC/LC/2R/Hea**
13. Recreational, cultural and sporting services – **SADC/LC/2R/RCS**
    * + 1. Draft baseline offers based on these model schedules will be distributed individually to each Member State, and the Secretariat remains available to guide and support Member States in improving the baseline offers in preparation of their initial offers covering the second-round sectors.
        2. TNF is invited to:
    1. Take note of the Secretariat’s summary on services classification in document SADC/LC/2R/W120/2.1 and the sectoral Model Schedules as well as the outlined approach for the development of second round offers;
    2. Encourage Member States to review their individual draft “baseline offers” prepared by the Secretariat;
    3. Urge Member States to submit their initial offers, building on the baseline offers, for the second round by 30 June 2023.
       1. **Updates on state of preparation of second round offers**
          1. TNF-Services will request Member States to indicate their state of progress in preparing their second round offers. Member States are also advised that the Secretariat remains available to provide any technical assistance that Member States may require.
          2. TNF is invited to take stock of progress in Member States’ national preparations of requests and offers for the second-round negotiations.
       2. **Revised roadmap for second round negotiations**
          1. TNF will recall that the Roadmap for the Second Round Negotiations, first adopted by the CMT alongside the Negotiating Guidelines in document **SADC/32-CMT/7/2021/8A**, has been reviewed in subsequent TNF meetings. TNF is invited to receive and consider any updates, including progress by Member States in their national preparations for the second-round negotiations, as well as progress made at regional level activities including the negotiations on MRAs.
          2. TNF is invited to consider and update the roadmap in document **SADC/TNF-Serv./42/2022/Rev4** to reflect progress made at national and regional levels.
14. **UPDATE ON TRADE IN SERVICES NEGOTIATIONS**
    1. **WTO General Agreement on Trade in Services (GATS)**
       1. The meeting will receive an update on recent developments under the WTO General Agreement on Trade in Services (GATS).
    2. **African Continental Free Trade Area (AfCFTA)**
       1. The meeting will receive an update on progress in the ongoing trade in services negotiations under the African Continental Free Trade Area (AfCFTA) Protocol on Trade in Services.
    3. **COMESA-EAC-SADC Tripartite Agreement**
       1. The meeting will receive an update on progress in the ongoing trade in services negotiations under the COMESA-EAC-SADC Tripartite negotiations.
    4. **COMESA and EAC programmes**
       1. Representatives of the COMESA and EAC Secretariats will update the meeting on the recent development at their regional trade in services programmes.
15. **ANY OTHER BUSINESS**

The meeting will consider items submitted for consideration under this agenda

1. **Adoption of the REPORT**

TNF will adopt the report of the 45th meeting as appropriate.

1. **CLOSING REMARKS**

The Chairperson and Secretariat will make closing remarks.

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