

ARTICLE 13
Government Procurement

Procurements by governmental agencies of services purchased for governmental purposes and not with a view to commercial resale or with a view to use in the supply of services for commercial sale are not covered by this Protocol.

PART THREE
TRADE IN SERVICES

ARTICLE 14
Market Access

In those sectors and modes of supply where specific commitments are undertaken pursuant to Article 16, in line with individual countries' levels of development, and subject to any conditions and limitations stipulated in the State Parties' lists of commitments¹, no State Party shall adopt or maintain:

- (a) limitations on the number of service suppliers whether in the form of numerical quotas, monopolies, exclusive service suppliers or the requirements of an economic needs test;
- (b) limitations on the total value of service transactions or assets in the form of numerical quotas or the requirement of an economic needs test;
- (c) limitations on the total number of service operations or on the total quantity of service output expressed in the terms of designated numerical units in the form of quotas or the requirement of an economic needs test²;
- (d) limitations on the total number of natural persons that may be employed in a particular service sector or that a service supplier may employ and who are necessary for, and directly related to, the supply of a specific service in the form of numerical quotas or a requirement of an economic needs test;
- (e) measures which restrict or require specific types of legal entity or joint venture through which a service supplier of any other State Party may supply a service; and

¹ If a State Party undertakes a market-access commitment in relation to the supply of a service through the mode of supply referred to in subparagraph 2 (a) of Article 3 and if the cross-border movement of capital is an essential part of the service itself, that State Party is thereby committed to allow such movement of capital. If a State Party undertakes a market-access commitment in relation to the supply of a service through the mode of supply referred to in subparagraph 2 (c) of Article 3, it is thereby committed to allow related transfers of capital into its territory.

² Subparagraph (c) does not cover measures of a State Party which limit inputs for the supply of services.

- (f) limitations on the participation of foreign capital in terms of maximum percentage limit on foreign shareholding or the total value of individual or aggregate foreign investment.

ARTICLE 15

National Treatment

1. In those sectors and modes of supply which shall be liberalised pursuant to Article 16, in line with individual countries' levels of development, and subject to any conditions and limitations stipulated in the State Parties' lists of commitments, each State Party shall grant to services and service suppliers of another State Party, in respect of all measures affecting the supply of services, treatment no less favourable than that it accords to its own like services and service suppliers.
2. A State Party may meet the requirement of paragraph 1 by according to services and service suppliers of another State Party, either formally identical treatment or formally different treatment to that it accords to its own like services and service suppliers.
3. Formally identical or formally different treatment shall be considered to be less favourable if it modifies the conditions of competition in favour of services and service suppliers of a State Party compared to like services and service suppliers of another State Party.
4. State Parties may maintain conditions and qualifications to national treatment provided that these conditions and qualifications are set out in their lists of commitments.

ARTICLE 16

Progressive Trade Liberalisation

- 1 State Parties shall enter into successive rounds of negotiations three years after completion of the previous one with a view to achieving an integrated regional market for services. Such negotiations shall be in conformity with Article V of the GATS and aim at promoting economic growth and development for all Member States.
- 2 State Parties shall negotiate the liberalisation of the six priority services sectors (communication, construction, energy-related, financial, tourism and transport services). Subsequent negotiations shall cover all services sectors subject to Article 3. These negotiations shall also include negotiations under Article 4.
3. This first round of negotiations shall be concluded no later than three (3) years after the commencement of such negotiations.
- 4 Negotiations shall be in conformity with the principle of asymmetry, reflecting individual State Parties' disadvantages by reason of size, structure, vulnerability and level of development of their economy.

During the negotiations, State Parties shall not introduce new and more discriminatory barriers to trade in services. For each round of negotiations, the TNF-Services shall adopt negotiating guidelines.

- 5 State Parties' lists of commitments, upon adoption, shall be an integral part of this Protocol. Individual State Parties, which are disadvantaged by reason of size, structure, vulnerability and level of development of their economy shall benefit from flexibility for the implementation of the commitments negotiated under each round of negotiations.

ARTICLE 17

Temporary Movement of Natural Persons

1. Nothing in this Protocol shall prevent a State Party from applying its laws, regulations and requirements regarding entry and stay, work, labour conditions, and establishment of natural persons provided that, in so doing, it does not apply them in a manner as to nullify or impair the benefits accruing to another State Party under the terms of a specific provision or specific market access or national treatment commitment under this Protocol.
2. This Protocol shall not extend to measures affecting natural persons seeking or taking employment in the labour market of a State Party or confer a right of access to the labour market of another State Party.

PART FOUR

MATTERS RELATED TO TRADE IN SERVICES

ARTICLE 18

Promotion of Trade and Investment in Services

1. The State Parties shall aim to promote an attractive and stable environment for the supply of services. Such promotion should take the form, in particular, of:
 - (a) mechanisms for information on, and identification and dissemination of, services business opportunities;
 - (b) development of model laws, regulations and uniform and simplified administrative procedures;
 - (c) development of mechanisms for joint investments, in particular with the small and medium-sized service suppliers of the State Parties.
2. No later than three (3) years following the entry into force of this Protocol, the TNF-Services shall establish the necessary steps for the development of such mechanisms. State Parties recognize the importance of cooperative mechanisms, technical assistance and capacity building, and Members shall enhance such cooperation *inter*