



ILEAP | INTERNATIONAL LAWYERS AND
ECONOMISTS AGAINST POVERTY

JEICP | JURISTES ET ÉCONOMISTES
INTERNATIONAUX CONTRE LA PAUVRETÉ

EABC EPA REGIONAL SENSITIZATION WORKSHOP

Trade in Services Negotiations and the Private Sector: Generating Opportunities for Development

Aide Memoire
26-28 February 2009
Nairobi Safari Club, Nairobi, Kenya

Introduction

The [East African Business Council](#) (EABC) is the apex body of business associations of the private sector in East Africa. Its mission is to promote private sector regional and global competitiveness in trade and investment.

[International Lawyers and Economists Against Poverty](#) (ILEAP) aims to promote pro-development outcomes in international negotiations. ILEAP's mission is to increase the effective participation of developing countries in trade negotiations

Background

Trade in services is a dynamic area of international trade, offering significant opportunities both in terms of increased exports and imports, aimed together at enhancing competitiveness, stimulating economic development and reducing poverty. At the same time services reforms and negotiations remain understandably contentious due to their potential to expose vulnerable stakeholders, including private sector operators, to a variety of risks.

Part of the challenge with regards to services reforms and negotiations is that barriers to services trade are found 'behind the border' in the form of domestic laws and regulations, etc. These may, for example, impact on whether and how foreign service providers can enter a market and/or the treatment they receive relative to domestic firms once in the market. Similarly, the availability of market information on services in major export markets, including the existence of possible market access and regulatory barriers abroad, is poor. This only serves to exacerbate challenges for EAC firms to identify services export opportunities abroad and competitively access those markets.

With commitments being contemplated simultaneously under the EPA, the WTO (bearing in mind existing GATS commitments), the EAC Common Market and other regional schemes, it is

a challenge for EAC private sector operators to contribute to the process of establishing priorities and developing a coherent strategy for creating a well-functioning regional services market. Effectively engaging the private sector, who ultimately constitute the main actors that will exploit the opportunities stemming from the negotiations, is essential. Furthermore, if the private sector is to be assisted in securing pro-poor outcomes from these negotiations, it is imperative that complementary support measures be identified as part of comprehensive trade in services export promotion strategies. Navigating this complex substantive and institutional process thus draws heavily on scarce human, financial and institutional resources.

Objective

It is on the strength of the above that EABC with support from ILEAP is organising a regional workshop to help the East African private sector articulate its sectoral priorities for services export development in the context of the EPA trade in services negotiations. The interactive workshop also serves as an opportunity to sensitize the private sector on the EPA trade in services negotiations. More specifically, the workshop aims to:

- Facilitate a better appreciation of the state of play on services in the EPAs and assisting in the identification of associated opportunities and challenges ahead;
- Promote enhanced involvement of the private sector based on specific sectoral knowledge (both EAC and international); and
- Support discussions on a roadmap for the continued involvement of the private sector in the EPA trade in services negotiations.

Organisation and participants

The meeting is being organised for EAC stakeholders by EABC, with support from ILEAP. The meeting will be attended primarily by EAC private sector professionals from selected services sectors. A limited number of non-African services professionals and advisors will also attend. The core substantive elements of the workshop will be undertaken in breakout sessions, delving into the needed sector-specific knowledge.

As such, target participants will include:

- Private sector operators and in particular representatives of professional associations and/or individual firms engaged in or interested in exporting services to the EU (based in the EAC or EU);
- Government officials involved in the development of services export strategies and/or services negotiations; and
- Researchers in academia, think tanks and regional research networks concerned with trade and regulatory policies who can provide on-demand assistance to regional and national negotiators in the formulation and negotiation of request and offers.

Resource persons will be drawn from the ILEAP Secretariat and its roster of advisors, as well as partner institutions, including African research institutions and think tanks.

Agenda

Thursday, 26 February	
8:00 - 8:30	Registration
8:30 - 9:30	<p>Opening Session</p> <ul style="list-style-type: none"> • Keli Kiilu, Vice-Chairman (EABC) • Dominique Njinkeu, Executive Director (ILEAP) • Hon. Amos Kimunya, E.G.H., M.P., Minister of Trade (Government of Kenya)
9:30 - 10:30	<p>Session I: Exchange of views on services reforms in the EAC</p> <p>This session will provide an opportunity for an exchange of views between the private and public sector on services reforms in the EAC.</p> <p>Presentations</p> <ul style="list-style-type: none"> • <i>Trade in services in EPA, WTO and EAC Common Market agendas</i>, Gerald Ajumbo, Principal Trade Officer (EAC Secretariat) • <i>Private sector perspective on trade in services negotiations in the EAC</i>, Charles Mutuma Mbogori, Executive Director (EABC) <p>Q&A</p>
10:30 - 11:00	Coffee Break
11:00 - 13:30	<p>Session II: Introduction and key policy issues underpinning the delivery of service exports</p> <p>This session introduces the GATS-based framework and lays out some basic principles of the request-offer process. It goes on to identify some key policy considerations underpinning the delivery of service exports, focussing on those delivered via temporary labour mobility and IT and the types of policies required at the domestic level to help enable them.</p> <p>Presentation</p> <ul style="list-style-type: none"> • <i>GATS-based framework & the request-offer process</i>, David Primack, Programme Officer (ILEAP) • <i>Policies underpinning mode 4-enabled services exports</i>, Dirk Willem te Velde, Research Associate (ODI) • <i>Policies underpinning IT-enabled services exports</i>, Anuradha R.V., Partner (Clarus Law Associates) <p>Q&A</p>

13:30 - 14:30	Lunch
14:30 - 16:00	<p>Session III: Private sector analysis on improved services exports</p> <p>One regional and five national studies are under preparation to help the private sector (and governments) better understand their opportunities for improved market access for services export to the EU, as well as key domestic constraints for pursuing them. This session will avail an opportunity for the national study authors to share their preliminary results and help feed into the sectoral sessions.</p> <p>Presentations</p> <ul style="list-style-type: none"> • Ernest Manirumva (Burundi) • Peter Riechi Okara (Kenya) • Prudence Sebahizi (Rwanda) • Kalua M. Simba (Tanzania) <p>Q&A</p>
16:00 - 16:30	Coffee break
16:30 - 18:30	<p>Special Session: The global financial crisis and developing countries</p> <p>This special session will discuss preliminary results of an ODI project on issues related to the impact of the global financial crisis on developing countries, including on financial and other services.</p> <p>Presentations</p> <ul style="list-style-type: none"> • Dirk Willem te Velde, Research Fellow (ODI) • Professor Francis Mwegu, Professor (University of Nairobi) • Sarah Ssewanyana, Principal Research Fellow (EPRC) <p>Q&A</p>

Friday, 27 February	
8:30 - 10:30	<p>Session IV: Negotiating trade in services with the EU: Options and opportunities</p> <p>This session seeks to help participants better understand the market for trade in services in the EU. It will consider the potential impact of rules governing trade in services on generating export opportunities, with specific reference to the EPA context and the CARIFORUM-EU EPA.</p> <p>Presentations</p> <ul style="list-style-type: none"> • <i>Exporting mode 1 & 4 services to Europe</i>, Anuradha R.V., Partner (Clarus Law Associates) <p>Q&A</p>
10:30 - 11:00	Coffee Break
11:00 - 13:00	<p>Session V: Capacity building to support services exports</p> <p>This session will look at capacity building proposals that can be considered for exploiting export opportunities for EAC private sector firms and professionals. Discussions will situate services sectors within efforts to provide aid for trade, as well as draw together related subject areas and clusters.</p> <p>Presentations</p> <ul style="list-style-type: none"> • <i>Aid for trade in services</i>, Dirk Willem te Velde, Research Fellow (ODI) • <i>Aid for trade in practice</i>, Nora Dihel, Economist (World Bank) <p>Q&A</p>
13:00 - 14:00	Lunch
	<p>Session VI: Sectoral Analysis</p> <p>The following interactive sessions will delve into sector-specific opportunities and constraints facing EAC private sector operators in taking advantage of existing and/or enhanced market access into Europe. The aim is to facilitate convergence of private sector positions on how and where trade agreements can be utilised to generate services export opportunities, including with specific recommendations regarding the formulation of requests.</p>

14:00 - 17:00	<p>Session VI (continued): Sectoral Analysis</p> <p>Presentations</p> <ul style="list-style-type: none"> • Serah Kimani and David Primack (ILEAP) <p>1. Business Process Outsourcing (BPO)/ICT services 2. Nursing services</p> <p>(Coffee Break @ 16:00)</p>
Saturday, 28 February	
9:00 - 11:00	<p>Session VI (continued): Sectoral Analysis</p> <p>Presentations</p> <ul style="list-style-type: none"> • Serah Kimani and David Primack (ILEAP) <p>3. Education services 4. Tourism services</p> <p>(Coffee Break @ 10:30)</p>
11:00 - 12:30	<p>Session VII: Securing effective engagement in services negotiations and Way Forward</p> <p>This session will consider the elements needed to help secure effective participation in the EPA services negotiations (including the request, offers and legal text) and help enumerate a possible way forward.</p> <p>Presentations</p> <ul style="list-style-type: none"> • Dominique Njinkeu, Executive Director (ILEAP) • Professor Sam Wangwe, Chairman (Daima Associates Ltd) <p>Q & A</p>
12:30 - 12:45	Session VIII: Closing