



For immediate release

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Global Services Coalition: G8 Leaders must Unlock the Doha Round as Time is Running Out for Services

(Geneva, Switzerland) The Doha Round services negotiations face a state of crisis greater than that of agriculture and goods, the Global Services Coalition said today, with the opportunity to reach a quality agreement on services slipping further away with each missed negotiating deadline.

Heads of state and government of key WTO members meeting in St. Petersburg must take the opportunity to demonstrate their commitment to the Doha Round by mandating their negotiators to reach an ambitious agreement on modalities for agriculture and goods in the coming days.

"This logjam is standing in the way of global economic growth because WTO members refuse to make substantive progress in services until the fundamental issues in agriculture and manufactures trade are resolved," the Coalition said. "So far there has been little indication that WTO members are willing or able to resolve those issues to which services continue to be held hostage."

"Services represent 50-60% of GDP in developing countries and an even higher share in developed countries," the Coalition said. "It is thus ironic and indeed baffling that so little priority and focus should be directed to services."

Developed and developing countries alike stand to gain enormously from the liberalization of international trade in services. A study just released by the U.S. Coalition of Service Industries cites data showing that the economic gains resulting from the liberalization of services would be twice as great as that of goods liberalization, and many times that of liberalization in agriculture. Most foreign direct investment flowing into developing countries is already directed toward services, and services are the only sector of the global workforce that is growing; agricultural employment worldwide is declining, while employment in industry has been essentially flat in recent years.

The Coalition called on WTO members to produce improved and commercially meaningful offers to liberalize services by July 31, as mandated by last year's WTO Ministerial Meeting in Hong Kong. Final offers are due October 31.

“A successful Doha Round, which needs to include substantial new liberalization in services, can drive economic growth and development and create opportunities for businesses, consumers, and farmers around the world,” the Coalition said. “However, this bold vision can only be realized if WTO members move past finger-pointing, and demonstrate the leadership and political will necessary to move the Round forward. The failure to do so will mean that we have squandered a once-in-a-generation opportunity to liberalize markets and spur economic growth worldwide.”

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