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Ratification of the SADC Protocol on Trade in Services

Submitted to the

Committee on National Economy, Trade and Labour Matters

By the

Zambia Institute for Policy Analysis and Research (ZIPAR)

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Table of Contents

List of Figures

List of Tables

1. Introduction

The overarching objective of this memorandum is to provide the Parliamentary Committee on National Economy, Trade and Labour Matters, with an analytical appraisal of the ramifications of ratifying the SADC Protocol on Trade in Services and a recommendation on whether or not Zambia should ratify the said protocol. This memorandum therefore covers the following:

i. The background to the SADC regional integration agreement and the protocol on trade in services, its objectives including the status quo on ratification;
ii. Zambia's trade in services performance generally and specifically in SADC over the last decade;
iii. The potential benefits of liberalising trade in services;
iv. The potential risks/costs of liberalising trade in services; and
v. Recommendation on whether or not Zambia should ratify the Protocol.

Ultimately, from the evidence in the main body of this memorandum, we recommend that Zambia should not ratify the SADC Protocol on Trade in Services until the country has resolved critical domestic services sector challenges and constraints.

2. Background to Regional Integration in SADC

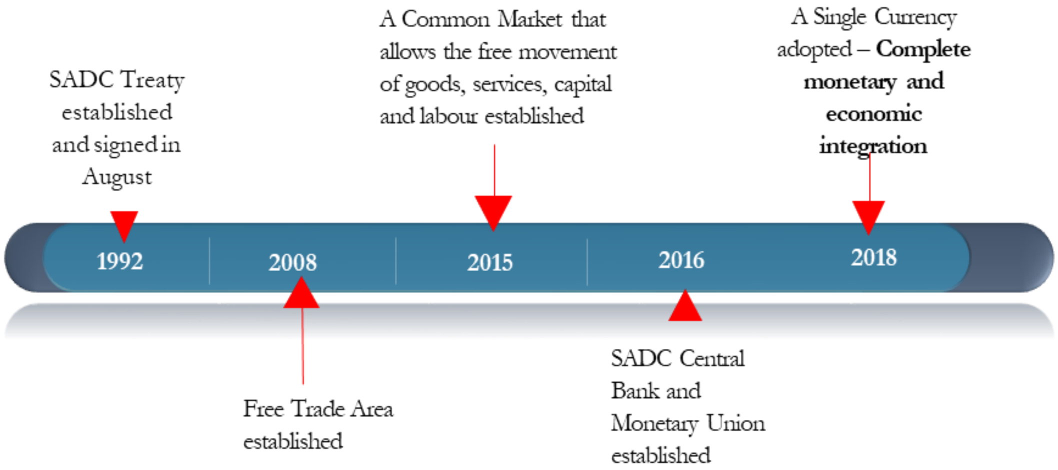
For decades, Zambia has been party to Southern Africa's push for regional integration. The formation of the Southern African Development Community (SADC) – currently comprised of 16 Member States – dates back to 1992 with the signing of the SADC Treaty on August 17 in Windhoek, Namibia. Notably, SADC replaced the Southern African Development Coordination Conference (SADCC) – a loose alliance of nine Southern African countries which had been in existence since 1980.[1] The establishment of SADC was borne out of the greater need for a higher level of cooperation in order to address the region's structural imbalances, development challenges and new challenges presented by globalisation. Thus one of the core objectives of the SADC Treaty espoused in Article 5 (1a) is to, "achieve development, economic growth, alleviate poverty, enhance the standard and quality of life of the people of Southern Africa and support the socially disadvantaged through regional integration".[2] SADC also serves a greater purpose as one of the eight (8) regional economic communities (RECs) identified to act as building blocks of the African Economic Community (AEC) - Africa's envisioned complete economic, monetary, political, social and cultural integration.[3]

From inception, a deep level of regional integration in SADC had been envisaged to accelerate poverty reduction and attain inclusive and sustainable development. Beyond the goal of first liberalising trade in goods by 2008, it was envisaged that the REC would become a Customs Union (a free trade area with a common external tariff) by 2010, a Common Market (with free movement of goods, services,

[1] AfDB. Southern Africa Economic Outlook 2019. African Development Bank, 2019b.
[2] SADC Declaration and Treaty Establishing the Southern African Development Community, 1992.
[3] Organisation of the African Union, Treaty Establishing the African Economic Union, 1991.

capital and labour) by 2015; a Monetary Union (with common fiscal and monetary policies) by 2016; and would have adopted a Single Currency by 2018 (see Figure 2.1 below).[4]

Figure 2.1: Timeline of Envisaged Milestones for Deeper Regional Integration in SADC



Source: SADC Status of integration in Southern African Development Community Report, 2019

Notably, the majority of milestones have not been achieved nor has the sequencing been followed to the letter. The pace of regional integration in SADC has been quite slow with only free trade status having been attained in 2008. Notwithstanding the sluggish progress in attaining the various milestones, SADC has been pursuing a developmental approach to integration focused on cooperation in sectors, industrialisation and infrastructure development. Thus whilst a Customs Union has not yet been attained in line with the envisaged sequencing of the milestones, SADC is already implementing programs and projects across all the stages of regional integration including the liberalisation of trade in services.[5]

Trade in services is quite fundamental to Zambia's development agenda – the Vision 2030 – which places importance on tourism and ICT service sectors. And in the National Export Strategy of 2018, services are recognised as "…a new frontier for promoting sustainable growth and development in developing countries and is considered as an important enabler for the growth of other economic sectors".[6] There are six (6) service sectors earmarked for liberalisation under the SADC Protocol – communication, construction, energy-related, financial, tourism and transport services. Three of these intersect with the priority service sectors (transport, financial, tourism, education and creative industries) that have been identified in the National Export Strategy to drive services export growth and diversification.[7] Liberalising trade in services therefore could give these service sectors a push.

The SADC Protocol on Trade in Services is premised on the conviction that liberalising trade in services can create new business opportunities, strengthen the region's capacity to produce and export

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[4] SADC Secretariat, Status of integration in Southern African Development Community, 2019.
[5] AfDB. Southern Africa Economic Outlook 2019. African Development Bank, 2019b.
[6] Government of the Republic of Zambia, National Export Strategy 2018
[7] Republic of Zambia, Zambia Export Strategy (NEST), 2018.

services, enhance efficiency, competitiveness and expand and diversify the region's exports. It is important to note the Protocol takes cognisance of the different levels of development, economic size and structure of Member States, national policy objectives and thus provides flexibility on the pace and sequencing of reform and liberalisation in services sectors so as to minimise adjustment costs associated with trade liberalisation. Specific objectives as articulated in the Protocol include:

i) The progressive liberalisation of intra-regional trade in services on the basis of equity, balance and mutual benefit with the objective of achieving the elimination of substantially all discrimination between State Parties and a liberal trading framework for trade in services with a view to creating a single market for trade in services;
ii) Promoting sustainable economic growth and development, thereby raising the standard and quality of life of the people of Southern Africa, supporting the socially disadvantaged and alleviating poverty through regional integration in the area of services;
iii) Enhancing economic development, diversification, local, regional and foreign investment in the services economies of the region;
iv) Ensuring consistency between liberalisation of trade in services and the various Protocols in specific service sectors;
v) Pursuing services trade liberalisation, while fully preserving the right to regulate and to introduce new regulations; and
vi) Enhancing the capacity and competitiveness of the services sectors of State Parties

The Protocol is set to enter into force thirty (30) days after instruments of ratification by two-thirds (approximately 11) of Member States have been deposited with the SADC Executive Secretary. If Zambia ratifies the Protocol, it will join **South Africa, Botswana, Seychelles, Mozambique, Lesotho, Eswatini** and **Mauritius** – countries that have ratified the SADC Protocol on Trade in Services and deposited their instruments of ratification.

3. Trade in Services: Definition and Modes of Supply

A starting point to understanding trade in services is the definition. Trade in services involves the buying and selling of intangible commodities between consumers and service suppliers resident in different countries. Trade in services is also defined by the modalities through which services are supplied. This is one of the key features of services that distinguishes it from trade in goods. The World Trade Organisation General Agreement on Trade in Services (GATS), identifies four (4) modes of supply[8]:

i) **Mode 1: Cross-border** – this covers services flows from the territory of one economy into the territory of another economy. Example, banking or architectural services transmitted via telecommunications or mail;
ii) **Mode 2: Consumption abroad** – covers services consumed in the territory of another economy. Example, tourists, students, patients.

[8] WTO, The General Agreement on Trade in Services (GATS): objectives, coverage and disciplines

iii) **Mode 3: Commercial presence** – refers to situations whereby a service supplier of say Country A establishes a physical presence in the territory of another country to provide a service. Example, a foreign company setting up a subsidiary bank in another country.

iv) **Mode 4: Presence of natural persons** – consists of persons of one economy entering the territory of another economy to supply a service. Example, a consulting firm sends one of their consultants to travel and provide a service in another country.

Typically, financial and insurance services, telecommunications transportation and professional services are supplied through Mode 1, Tourism through Mode 2 while Mode 3 accommodates all service sectors. Professional services such as legal, accounting, auditing, management consultancy, architecture and others tend to be supplied through Mode 4. The modes of supply are an important consideration because each country's Schedule of Specific Commitments – the commitments specifying the services for which market access will be granted and where limitations might be imposed – are undertaken with respect to each mode of supply.[9]

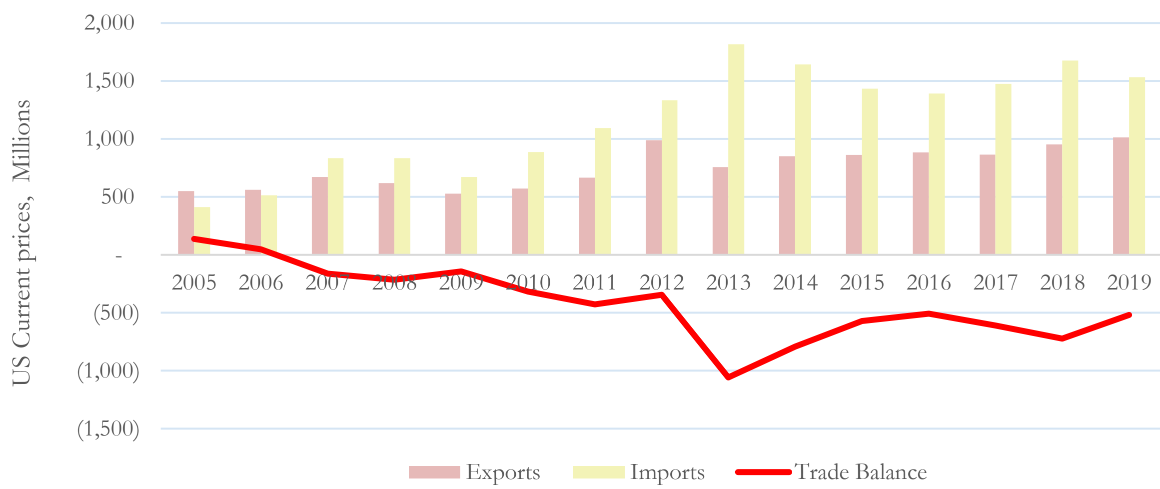
4. Trade in Services: Exports, Imports and Trade Balance

Ideally, trade in services should be analysed according to the four (4) modes of supply, the service sectors and corresponding trade partners. This is crucial for generating evidence on trade patterns required to inform more targeted sector- and mode-specific trade liberalisation and capacity support interventions. However, the lack of disaggregated data on intra-SADC trade in services and by mode of supply precludes such nuanced analysis. This data problem also extends to intra-African trade more generally. Thus, we are unable to isolate and gauge the level of intra-SADC trade in services and more specifically, Zambia's trade in services with the SADC bloc relative to the rest of the world. At best, we only analyse Zambia's and SADC member countries' trade with the world as a whole by service category. Notably, this captures intra-SADC trade in services but this cannot be isolated owing to weak data constraints.

We start with a basic overview of Zambia's trade in services over the past 14 years (see Figure 4.1 below). Zambia has recorded an increase in both exports and imports of services albeit import growth has outpaced export growth resulting in an overall average annual trade deficit of US$414 million. Over the period under review, exports grew at 4% per annum on average, consequently increasing from US$549 million in 2005, to US$1 billion in 2019. At the same time, imports grew much faster at 10% per annum leading to nearly, a threefold increase in the value of imports from US$412 million in 2005 to US$1.5 billion in 2019. Thus, Zambia emerges as a net importer of services which implies pressure on the country's balance of payments and limits the creation of domestic jobs and development of the domestic services industry. The country's negative trade balance is largely driven by the sustained disproportionate imports of transportation services that account for more than 50% of total services imports (Figure 4.2 further below depicts Zambia's services imports and exports by service sector).

[9] Ibid

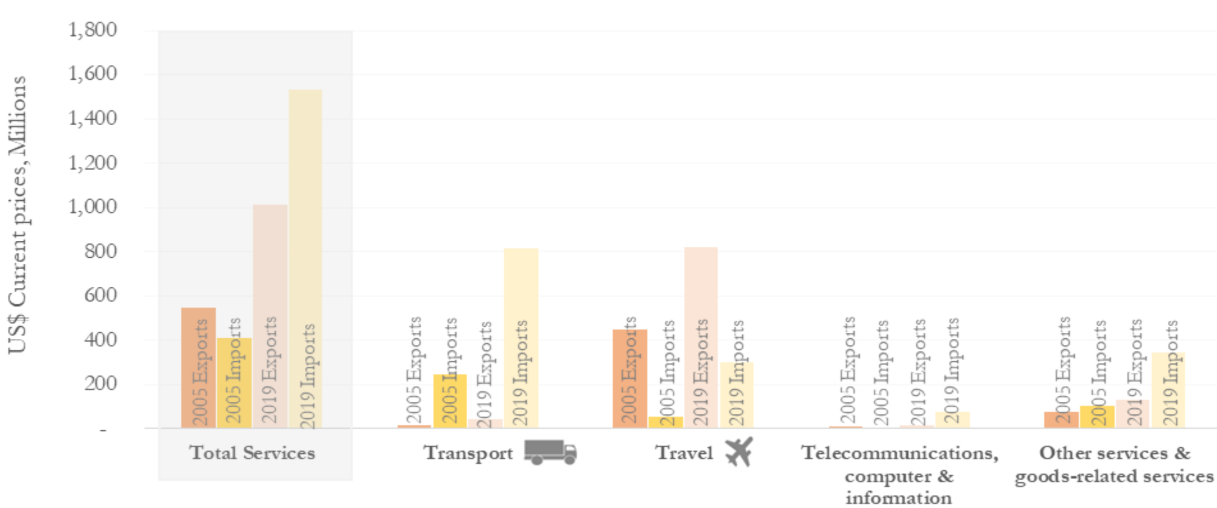
Figure 4.1: Zambia Exports and Imports of Services and Trade Balance, 2005 - 2019



Source: Author's construction based on UNCTADStat UN COMTRADE trade data

Although on average, imports and exports of transport services have been growing at the same rate per annum – 9% – Zambia imports 3 times what it exports. This huge trade deficit in transport services (estimated at US$570 million in 2019) underscores the capacity constraints including potentially, infrastructure constraints in the mode of supply that may need addressing if we are to realise the full benefits of liberalising trade in transport services. The overall trade deficit in services also stem from trade imbalances in other services and goods-related services. Tourism imports also contribute to the overall trade deficit but tourism exports more than compensate for the cost of imports. In fact, tourism is Zambia's major source of export services earnings. On average, the sector accounts for more than 80% of the total receipts from exports of services.

Figure 4.2: Zambia Exports and Imports of Services by Major Categories, 2005 & 2019

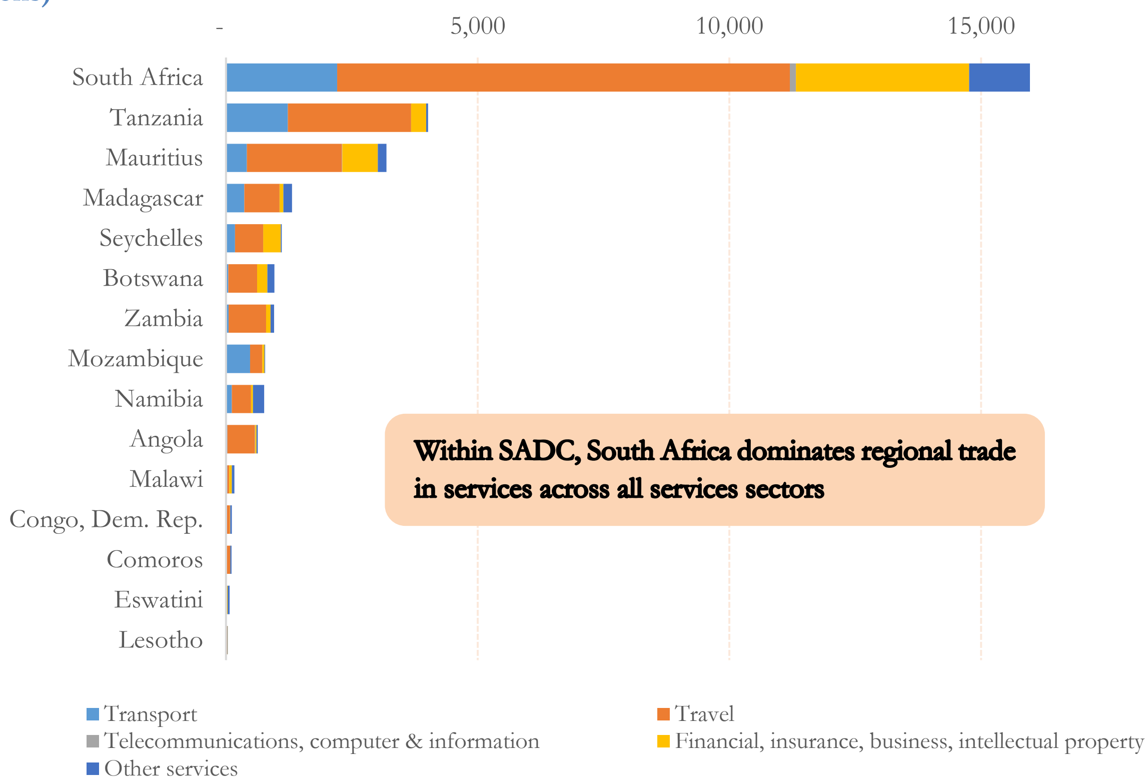


Source: Author's construction based on UNCTADStat UN COMTRADE trade data

The value of tourism exports nearly doubled from US$447 million in 2005, to US$819 million in 2018, signifying growing importance of exports of tourism services. Other services such as insurance, professional and financial services and goods-related services are also a source of export services earnings but to a lesser extent (13% in 2019). All in all, Zambia's exports from various services sectors has been growing albeit imports have outpaced exports both in growth and value with the exception of tourism services.

Coming to SADC as a bloc (Figure 4.3), we analyse each Member State's exports of services by service category and gauge the extent of market competition within the REC. South Africa dominates regional trade across all service sectors namely travel, financial, insurance, business, intellectual property (IP), transport, ICT and other services. South Africa's hegemony over the region is not unexpected given the country's economic size. Overall, the value of South Africa's total exports of services is substantial estimated at US$15.9 billion in 2018. This exceeds the regional average services exports (US$2 billion) and by far surpasses Zambia's exports of services that lies somewhere near the median (US$953 million). Tanzania accounts for the second highest level of exports at US$4 billion driven by tourism and transport services. In third place is Mauritius with total exports pegged at US$3.2 billion and these are largely driven by tourism, financial, insurance, business and IP and to a lesser extent, transport services.

Figure 4.3: Exports of Services in 2018 by SADC Member Country and Service-categories (US$ 'millions)



Source: Author's construction based on UNCTADStat UN COMTRADE trade data
Note: Data on exports of services disaggregated by service-sector not available for Zimbabwe

5. Potential Benefits of Liberalising Trade in Services for Zambia

Large Market Size

First is the market size. The market potential of SADC for trade in services is quite considerable compared to Zambia's economy on its own. Collectively, the 16 member states provide a potential market demand for services of 353.9 million people with a combined income (GDP) of US$692.3 billion.[10] On its own, Zambia's domestic market is too small (estimated at about 17.8 million people with income [GDP] of US$23 billion in 2019) and poses demand limits that prevent service suppliers from exploiting economies of scale and becoming low cost producers. Access to a broader regional market for services can circumvent some of these challenges and attract considerable investments via Mode 3 required to sustain economic growth and create the much needed employment.

Export Diversification and Structural Transformation

Liberalising trade in services also holds potential for economic diversification and structural transformation. There is a growing wealth of literature that recognises the important role of services in stimulating structural transformation for socio-economic development. Although services are tradable in their own right, they are not an end in themselves but rather, act as intermediate inputs into many productive and export processes of various industries. A good illustration of this is the use of transport services to ship raw materials in and finished manufactured products out. Or the use of information and communication technologies to organise production and financial services to facilitate investments in buildings and capital equipment.[11] Therefore, services affect efficiency, productivity and competitiveness in various economic activities, which if enhanced, can reinforce economic growth.

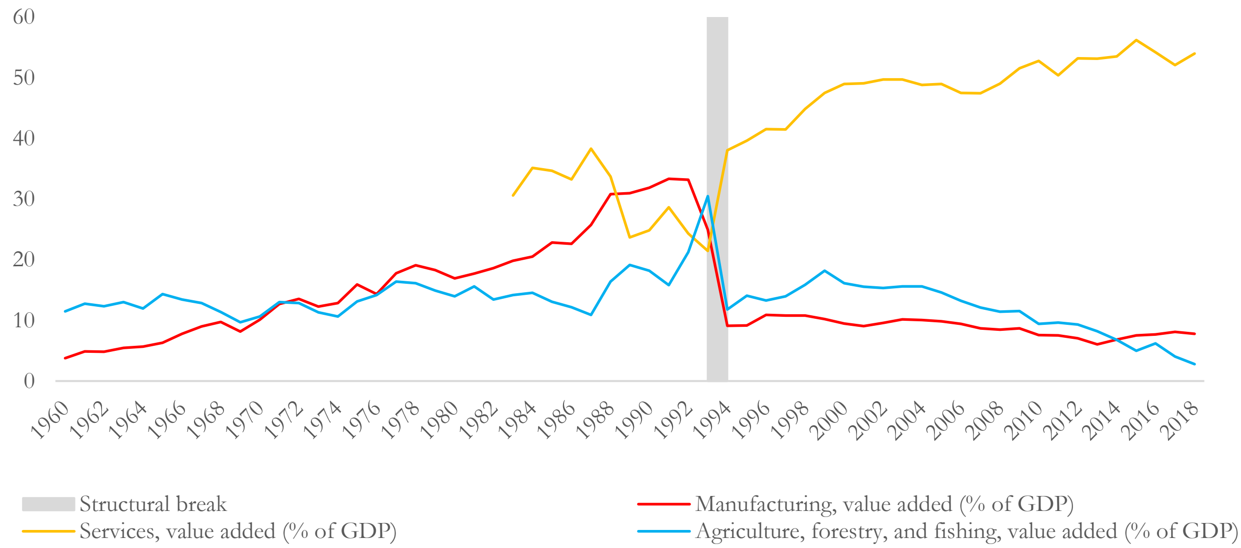
The growing importance of services is also reflected in the structure of Zambia's economic output and employment. Following the liberalisation of Zambia's economy, the share of services in gross domestic product (GDP) has taken off increasing from 30% in 1983 to 54% in 2018 (Figure 5.1 below). This has been matched by a corresponding decline in the share of manufacturing and agriculture value added in GDP from peaks of 33% in 1992 and 30% in 1993 respectively, to lows of 7.8% and 2.8% in 2018 which is quite undesirable. Arguably by liberalising trade in services and encouraging more competition, the cost and quality of service inputs could improve and in turn, drive productivity and output growth in manufacturing and agriculture.

Although Zambia's economy is now dominated by services which also account for about 66% of the total employed population,[12] this importance of services is not correspondingly reflected in trade. In 2018 for instance, services only accounted for a tenth of the total exports of goods and services. Yet services hold considerable potential for diversifying and expanding Zambia's export base. Increased exports of services could play an important role in insulating the country from the risks of commodity price shocks thereby increasing and sustaining export earnings. The SADC Protocol on Trade in

[10] World Bank World Development Indicators data
[11] UNCTAD, the Role of the Services Economy and Trade in Structural Transformation and Inclusive Development (2017).
[12] ZamStats, 2019 Labour Force Survey (2020)

Services is therefore a key consideration for Zambia given its potential to expand trade in services. More so for Zambia that seeks to transform the structure of its economy. Services could play the same role as in Asia, of stimulating the transition towards more productive economic activities in manufacturing.[13]

Figure 5.1: Composition of Economic Activities, 1960-2018



Source: Author's construction based on World Bank World Development Indicators data
Notes: Data on services value added not available for the period before 1983.

Efogo (2019)[14] adds to this evidence on the potential of trade in services to stimulate economic growth and structural transformation. The author shows that appropriate service sectors promote structural transformation and economic growth of the Economic Community of West African States-ECOWAS.

6. Potential Risks/Costs of Liberalising Trade in Services for Zambia

Fierce Competition within the Region

Perhaps the biggest threat for Zambia of ratifying the Protocol is the increased exposure to fierce market competition within the region. As earlier discussed in section 3, South Africa dominates all services exports and accounts for more than 50% of the regions total exports of services (see Figure 5.1 below). Other noteworthy competitors include Tanzania and Mauritius that respectively accounted for 13% and 11% of the SADC bloc exports of services in 2018. The regional market is highly concentrated with these three countries collectively accounting for 76% of SADC exports of services. The remainder – 24% – is shared amongst 13 countries. Zambia's market share is quite paltry, estimated at only 3% of the region's exports of services.

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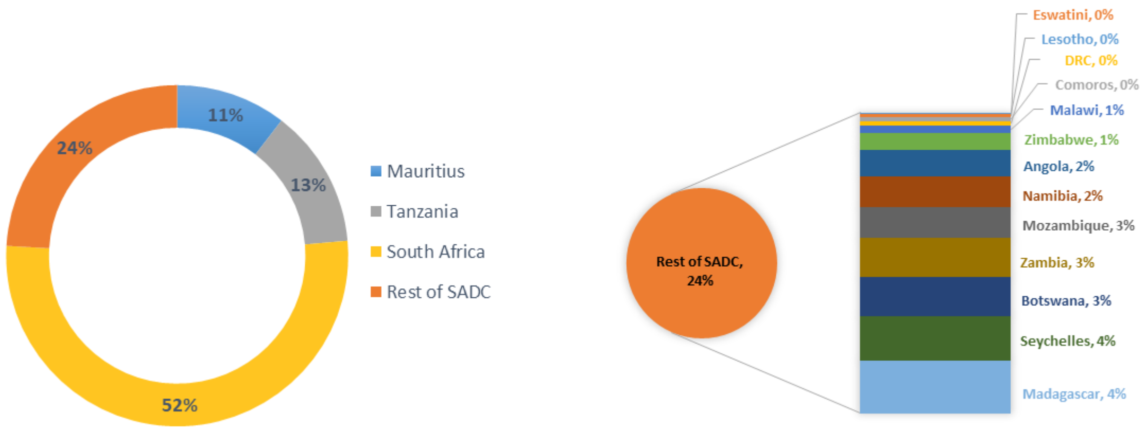
[13] Ibid.
[14] Francoise O. Efogo, Trade in Services for Growth and Structural Transformation in West Africa, 2019

Figure 6.1: SADC Export Services Market Share by Member Country, 2018



Source: Author's construction based on UNCTADStat UN COMTRADE trade data

Weak Services Capacity

Zambia's ability to withstand the fierce competition within the region may be encumbered by the country's relative weak services capacity. Table 6.1 below presents Zambia's capacity to produce and export services over time measured as services value added per capita and the value of services exports per capita respectively. The former metric provides an indication of a country's capacity to produce services while the latter provides an indication of a country's capacity to export services and its trade competitiveness. These metrics are adjusted for population size to account for country size thereby facilitating cross-country comparisons.

Table 6.1: Services Capacity and Services Export Capacity of SADC Countries (2005-2018)

	Services Per Capita (constant US$)			Services Exports Per Capita (current US$)		
	2005	2018	Annual Growth Rate (%)	2005	2018	Annual Growth Rate (%)
Seychelles	6,147	10,421	4.1%	4,460	11,427	7.5%
Mauritius	3,936	7,148	4.7%	1,317	2,518	5.1%
Botswana	2,532	5,058	5.5%	462	427	-0.6%
South Africa	29,768	4,715	-13.2%	247	276	0.9%
Namibia	2,520	3,626	2.8%	212	310	3.0%
Eswatini	1,775	2,476	2.6%	197	63	-8.5%
Angola	1,200	1,448	1.5%	9	20	6.4%
Zambia	526	954	4.7%	46	55	1.3%
Lesotho	526	857	3.8%	17	15	-0.7%
Comoros	717	824	1.1%	70	130	4.9%
Zimbabwe	331	803	7.0%	30	30	0.1%
*Tanzania**	262	400	3.3%	33	71	6.1%
Mozambique	165	289	4.4%	17	26	3.6%
Malawi	185	270	3.0%	5	9	4.3%
Madagascar	246	247	0.0%	27	50	4.9%
DRC	108	134	1.7%	6	1	-11.1%

Source: Author's construction based on UNCTADStat UN COMTRADE and World Bank WDI data
Notes: Services capacity for Tanzania in 2018 is based on 2017 data owing to data constraints

The data reveals that, Seychelles has both the highest capacity to produce and export services by far followed by Mauritius. Although South Africa exports the highest value of services, the country's capacity to produce services has reduced markedly over the years from US$29,768 in 2005 to US$4,715 in 2018. Moreover, the country ranks fifth when it comes to capacity to export. In the same vein, Tanzania's services capacity and capacity to export services is rather low and does not match the country's high value of exports. Notably, Zambia's services capacity has improved over the years increasing from US$526 in 2005, to US$954 in 2018. This signifies an annual growth rate of 4.7%. In 2018, Zambia ranked eighth in services capacity and ninth in services exports capacity. In addition to the country's weak services capacity, Zambia is also constrained by low labour productivity in services and in 2018, ranked ninth amongst the SADC countries in labour productivity. Therefore to harness the potential gains of ratifying the Protocol, Zambia needs to strengthen its services capabilities.

Potential Revenue and Job Losses

Arguably, it benefits Zambia more if exports of services are supplied primarily through Modes 1 and 2 and if both imports and exports are supplied through mode 3. Mode 3 – commercial presence – particularly entails increased foreign direct investment in Zambia and the creation of employment opportunities. Notably these same opportunities also exist for other SADC member countries. Thus by liberalising trade in services, both existing and new investors will have a wider choice of selecting the most cost-effective and profitable offshore investment destination within SADC, with the option of exporting services to the rest of the trade bloc. Thus, there is a real risk of displacing Zambia's production and employment if the country is deemed a less competitive investment destination. This may potentially lead to revenue and job losses (not quantified) if service suppliers shift their production to more competitive environments or fail to compete against more competitive service suppliers and are consequently forced to at best, scale down services supply or at worst, shut down completely.

Regulation Challenges

Typically, the major constraints to trade in services relate to regulatory measures in sectors and modes of supply. This includes institutional, administrative, procedural and legal measures. While regulatory measures can present barriers to services trade, certain regulations are taken in the interest of safeguarding consumers, employment, profits and government revenues in line with national policy objectives. Thus most countries tend to impose regulations. For instance, the most recent (2008) Services Trade Restrictiveness Index (STRI) shows that Zambia and a few SADC member states for which data is available, are generally not very restrictive in all the modes of supply with the exception of the DRC and Zimbabwe (Table 6.2 below).

The STRI, computed by the World Bank, measures the restrictiveness of an economy's regulatory and policy framework with respect to trade in services and three modes of supply – 1, 3, 4 and an aggregate of all modes. The STRI ranges from 0 to 100 where 0 indicates complete openness with no restrictions, and 100 implies that the sector or mode is completely closed to foreign services and service suppliers.[15]

[15] World Bank, Services Trade Restrictions Database

Table 6.2: Services Trade Restrictiveness Index by Mode -2008

	All Modes	Mode 1	Mode 3	Mode 4
DRC	52	8	55	45
Lesotho	27	6	22	60
Madagascar	19	57	15	40
Mozambique	19	36	11	55
Mauritius	17	30	15	40
Malawi	34	54	26	60
Namibia	37	30	40	60
Tanzania	31	10	30	65
South Africa	35	2	37	75
Zambia	21	14	21	50
Zimbabwe	64	73	61	65

Source: Author's construction based on the Services Trade Restrictions Database

When disaggregated by mode, the picture is different and nearly all the countries under consideration have major restrictions in mode 4 – presence of natural persons. Zambia is also quite restrictive to the commercial presence of foreign service suppliers in telecommunications, cross border supply of transportation services and in the commercial presence and presence of natural persons in professional services (see Table 6.3 further below). Under the SADC Protocol, Article 5 does not impair member states from regulating and introducing new regulations on services and suppliers thereof required to meet national policy objectives. The Article allows countries disadvantaged in terms of size, structure or level of development the right to regulate in in line with national priorities. However Article 6 encourages restraint in applying regulations in areas where the country makes specific commitments to liberalise trade in services.

Table 6.3: Zambia - Services Trade Restrictiveness Index by Mode and Sector -2008

	All Modes	Mode 1	Mode 3	Mode 4
Financial Services	8	19	10	-
Professional Services	44	0	50	50
Retailing	0	-	-	-
Telecommunications	75	-	75	-
Transportation	10	50	0	-

Source: Author's construction based on the Services Trade Restrictions Database

The same Article encourages regulations on licensing requirements, technical standards, qualification requirements and procedures to be based on objective, transparent criteria that promotes effective market access and quality service provision; and for the establishment of tribunals to review and remedy regulations that adversely affect service suppliers. These obligations will mainly apply to sectors where specific commitments have been undertaken. Other articles (7, 8 and 9) also promote transparency in regulation, regular official updates on changes to regulations and the establishment and adoption of common standards. Article 14 in particular may present regulatory challenges for the ICT industry and pose threats to the viability of telecommunications. The Article disallows limitations on the number of service suppliers, value of service transactions, number of service operators or the requirement of an economic needs test. However, an economic needs test is a key criterion used by ZICTA to inform the number of Mobile Network Operators (MNOs) licences that should be issued. This test assesses the viability of new entrants, their return on investment, the impact on existing investors and aims to avoid revenue dilution. Prohibiting such tests and restrictions on service suppliers may discourage both new investments and re-investments and potentially lead to losses, the scaling down of business operations and thus employment and revenue losses.

7. Way Forward: To Ratify or Not to Ratify?

Having weighed the potential gains against the potential costs and losses, it is our considered view that Zambia **should not ratify the SADC Protocol on Trade in Services** until the country has resolved critical domestic services sector challenges and constraints.

Whilst we acknowledge the benefits of trade in providing wider consumer choices and lower prices, access to cheaper inputs for production, stimulating innovation, competitiveness, efficiency and technology development as well as economic growth, the earlier mentioned risks/costs of services trade liberalization through the SADC protocol far outweigh the potential benefits. Trade brings about adjustment costs which cannot be ignored. Although there are a number of provisions under the Protocol to provide flexibility in implementing commitments for countries disadvantaged in economic size, structure, vulnerability and level of development; if the past is any indication, we has failed to take advantage of prevailing trade remedies such as safeguards to protect local services industries and jobs from import competition under ratified protocols. Nor do we have the domestic institutional capacities and competencies to cover this gap. As a result, Zambia's pursuit of export-led industrial development without first expanding productive capabilities has left the country specialised in its comparative advantage – copper – but vulnerable to external shocks and with limited job opportunities.

It would therefore be in Zambia's best interest to delay trade liberalisation in services and by extension, the ratification of the SADC Protocol, towards buying itself time to address the following:

- Build domestic services and services export capacities through investments in education, skills, research and development, technology and the provision of affordable finance;
- Provide an enabling business environment by addressing infrastructure and other constraints in service sectors, modes of supply and the macro-economy that adversely impact the competitiveness of service suppliers; and
- Lobby for a practical adjustment support facility under the SADC Protocol that incorporates the provisions of the SADC Protocols for technical assistance to and capacity building of Member States, including Zambia in particular. This will help Zambia to build capacity in policy and strategy reforms, in the preparation of evidence-based and widely consulted technical documents (e.g., schedules of commitments) and in trade in services negotiations at multilateral, regional and bilateral levels.

Collectively, these measures will ensure that we balance the interests of pursuing regional integration versus attaining national priorities such as inclusive, job creating and sustainable growth and development. The risk of ratifying the Protocol now is that it may inadvertently relieve pressure off technocrats to resolve outstanding issues and cover old gaps in trade liberalisation.