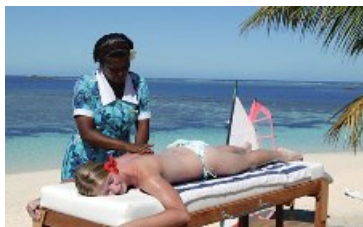


## “Dismal” ACP services sector demands urgent attention, says SG

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Brussels, 5 May 2012/ ACP: Poor infrastructure and high vulnerability to external shocks has meant low services exports amongst African, Caribbean and Pacific countries, says the ACP Group's chief executive.

Worrying figures show that in 2010, ACP regions accounted for less than a two percent combined share of global services exports – a drop from three percent in 1975. In comparison, other developing countries have increased their share of global exports from 18 percent in 1980 to almost 30 percent in 2010.

“This dismal performance in services trade calls for urgent measures to enable the ACP States to increase their participation in world trade in services,” stressed Secretary General Dr Mohamed Ibn Chambas at a workshop on the issue organised by the ACP Secretariat on 2 and 3 May. ([Read full speech](#) <sup>[1]</sup>)

He blamed high transportation and communication costs as a major setback, fuelled by ACP countries' inherent weaknesses arising from low levels of development, high economic vulnerability due to smallness of population and/or income levels, and sea and land-lockedness that isolates them from main markets.

“In addition, many ACP States endure high vulnerability owing to external economic and natural shocks, as well as weak institutional, regulatory and productive structures. Given such inherent constraints, promoting economic growth and development, particularly in service delivery remains a formidable challenge,” said Dr Chambas.

A study carried out by the ACP Secretariat with the United Nations Conference on Trade and Development (UNCTAD) further shows that the ACP share in global services trade is dominated by a minority of countries – South Africa alone accounts for 20 percent of total services exports, followed by Cuba and the Dominican Republic making up an additional 18 percent.

Last week's discussions included delegations and experts and aimed at devising a strategy to develop the ACP services sector, given its key role in competitiveness and trade facilitation.

Talks covered Economic Partnership Negotiations in services, EU-ACP negotiations and the World Trade Organisation, regional frameworks for sectoral development, legal aspects, regulatory aspects, and various reports on the potential of specific services sectors.

Experts presentations were not entirely pessimistic. For example, one pointed out that in the period 2000 – 2008, the value of Africa's travel and tourism exports almost tripled, and starting in 2005, it actually exceeded the region's receipts from exports and agricultural products. Some countries have also achieved clear achievements in telecommunications – Kenya, for instance, boasted US\$ 435 million in exports in 2008.

Essential to developing the sector was improving infrastructure and more robust government investment in trade in services.

**\*\*Presentations and programme for this workshop will be uploaded to the documents section soon**

*(Pictured: Tourism - one of the main service sectors that many ACP governments support/ Photo by South Pacific Tourism Organisation)*

- ACP Press

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