Index

Africa
FTAs, generally
GATS+ provisions in 211–12
trends 210–12
PTAs, generally
with developed countries 210–12
with EU, following WTO dispute
settlement rulings 190–91,
211–13
GATS+ commitment variations
27, 30, 198
trends 198–9
services trade negotiations
African Economic Community,
formation 202, 221–2
challenges and policy lessons
199–201, 216–22
COMESA agreements 205–10
East African Community (EAC)
204–10
economic influences on 199–201
ECOWAS agreements 203–4
EU-CARIFORUM EPA model
211–21
EU EPAs 200, 211–12, 217–21
EU general trade support
initiatives 216–17
EU vs. WTO trade models
217–21
extra-regional developments and
initiatives 210–12
intra-regional developments and
initiatives 202–10, 221
market opening reluctance,
reasons for 196–202
potential advantages for ACP
216–21
regulatory cooperation and
convergence 200–201
rule of origin/denial of benefits
clauses 204
SADC agreements 199–200,
206–10, 211–12
Treaty of Abuja 202–3
Tripartite Agreement 206–10
WAEMU agreements 204
African-Caribbean-Pacific (ACP)
EU EPAs, potential advantages
216–21
EU PTA developments, following
WTO dispute settlement rulings
190–91, 211–13
EU trade support initiatives,
generally 216–17
Agreement on Trade Related
Investment Measures (TRIMS)
312–14
air transport and services provision 71
in African PTAs 206–7
in Asian PTAs 238–41, 299–300,
332
under EU services trade
developments 183
GATS commitments 28, 35, 186
protectionist treatment of, PTA
challenges 241, 423
PTA commitments, generally 97–8
Americas see also United States
Asian trade trends 118
FTAs, generally 101–2, 149–50
Arco del Pacífico initiative 147–9
comparison of service treatment
under FTAs 152–4
convergence opportunities 147–9
financial services provisions
123–30
liberalization modality 112–13
movement of natural persons
132–7
positive excess growth in services
trade under 145–7, 158–9
positive list approach to 110–14
services agreement developments 102–6
and Trans-Pacific Partnership (TPP) 106, 117–19
NAFTA model
development background 102–6
FTA extensions beyond scope 105–6
global use, extent of 116–19, 294
national policy changes regarding 105–6
regionalism trends 10
APEC
Bogor Goals 387–8
Business Travel Card Programme 281, 374
Arco del Pacifico initiative 147–9
ASEAN see also China-ASEAN FTA
EU services trade PTA negotiations 190
Framework Agreement on Trade in Services (AFAS) 24–5, 30, 190, 228
GATS+ commitments 24–5, 30
PTAs and GATS liberalization models 279
Asia
FTA trends 228
PTAs
additional non-GATS provisions 253–6, 268–91
agreement architecture trends 234–7
best endeavour clauses 300
challenges and policy lessons 289–91
cooperation provisions 255
cross-cutting issues 237, 239–40
domestic regulation provisions 247–9, 304
emergency safeguard measures 252–3, 305–6
excluded and carved-out issues 240–41, 250–53, 299–300, 316
financial services provisions 246–7, 262–4, 312–14
GATS+ commitment variations 27, 29–30, 268–89
GATS provisions, comparison with 231–7, 241–68, 289–91
GDP and service sector coverage 273–7
investment provisions 254–5, 258–9
key disciplines in service provision 229–37
liberalization models 277–9
limitations 225–6
market access 246–7
most favoured nation principle 225, 242–3, 302–3
movement of natural persons 260–61, 279–87, 314–19, 314–21
mutual recognition provisions 249–50, 318–19, 318–21
national treatment provisions 243–4, 302
provisions frequently omitted 250–53
research method 226–7
research results 256–8, 267–8
service sector coverage 268–77
in services, status of 228–9
services-investment linkages 254–5
and sub-committees on trade in services 253–4, 306–7
subsidies 251–2, 305–6
telecommunications provisions 264–5
third parties, provisions relevant to 256
Trans-Pacific Partnership (TPP) 106, 117–19, 289
transparency 244–6
trends 224–5, 228, 287–9, 294
Asia-Pacific
Free Trade Area of the Asia-Pacific (FTAAP) 387–9
GATS+ commitment variations 27, 29–30
Australia
APEC, role in 387–9
Australian Productivity Commission 337–8
PTAs 116, 117, 137, 387–9
PTAs
AANZFTA 351–3, 357
ACFTA 350, 352–3, 357
advantages of 342–4
agreement overlaps, challenges of 353–4
ANZCERTA 357
AUSFTA 350, 352–3, 357, 365, 367–8, 376
benchmarks for 362, 364, 366–7, 383, 385
binding overhangs 371–3
criticism of 355–6, 359–60
and domestic liberalization 376–7
GATS commitments, compared with 363–4, 373
goals and objectives 352, 356, 358
influences on trade liberalization 354, 357–77, 389–91
influences on trade performance 357, 389
intellectual property provisions 368
investment services provisions 350–52
limitations for trade liberalization 360–70, 379–80
market access provisions 350–51
most-favoured nation provisions 350–51
mutual recognition provisions 375
national treatment provisions 350–51, 359
and overseas liberalization 371–6
policy developments, potential impact of 383–7, 389–91
positive list vs. negative list approaches 350–51, 358
regional integration, impact on 378–9
research, limitations of 377–8
role in trade policy 346–58
SAFTA 350, 352–3, 357, 363
scale and scope of 350–51, 353
success of 362, 364, 366, 370–79
TAFTA 350, 352–3, 357, 364
trade liberalization, generally challenges 339–40, 367–70
development and trends 340–42
domestic reforms 361–2, 370, 376–7
economic implications and advantages 337–47, 358–60
limitations of PTAs in 359–70, 379–80, 389–91
overseas liberalization 371–6
piecemeal reforms 367–70
policy proposals, government response to 396–7
PTAs influences on 354, 357–79, 389–91
and regional integration 378–9
rent-creation vs. cost-increasing barriers 345–6, 369–70
services trade, economic role of 338
trade policy principles 384–5
trade policy trends 381–91
transparency 380–81, 384–5
welfare effects 369–70
Trans-Pacific Partnership (TPP) 117, 387–9
banking services provision 71
and EU services trade liberalization 166, 202
PTA commitments, generally 28, 97–8, 357, 402
best endeavour clauses 206, 284, 299–300
binding overhangs 354, 362, 371–3, 385, 390
Bogor Goals (APEC) 387–8
Bolivia 105
branching rights 39
Brunei
GATS+ commitment variations 24–5
Trans-Pacific Strategic Economic Partnership (TPSEP) 117
business services provision 71
in Asian PTAs 270, 324–6, 328–9
PTA and GATS commitments, generally 272–4, 278, 338, 424
Business Travel Card Programme (APEC) 281, 374
Canada
- Canada-US FTA 102–3, 123
- dispute settlement cases 138
- movement of natural persons 134–5, 137
- PTA and GATS+ commitment variations 24–5
- service agreement negotiations with EU 120
- Trans-Pacific Partnership (TPP) 117, 119

CARICOM
- NAFTA model for 104

CARIFORUM
- EU-CARIFORUM EPA
  - GATS+ commitments 24–5, 213–16
  - as model for African countries 211–21
  - negotiations 119, 121–3, 132, 135–6
  - precedent-setting status 213–16
- European Development Fund assistance 215–16
- movement of natural persons 135–6
- positive excess growth in services trade under 146–7, 159

Cecchini Report (EU) 169–70

Central American Common Market 103–4, 190

Chile
- Arco del Pacífico initiative 148–9
- FTAs 116–17, 129, 130–31
- GATS+ commitment variations 22–3
- movement of natural persons 133, 136
- positive excess growth in services trade under 145–6, 158
- service agreements with EU 119 Trans-Pacific Strategic Economic Partnership (TPSEP) 117–18
- transparency in 129

China
- FTAs, generally 117, 131
- movement of natural persons 282
- PTAs and GATS liberalization models 277, 279
- services commitments and GDP 275–7
- China-ASEAN FTA 230
  - comparison with GATS provisions 245, 248–9, 252–3, 255, 269–73
  - cross-cutting issues 237–40
  - key disciplines in service provision 231–7
  - liberalization models 277–8
  - service sector coverage 269–74
- China-Pakistan FTA 230
  - comparison with GATS provisions 245, 248–50, 252–5, 269, 272
  - cross-cutting issues 237–40
  - key disciplines in service provision 231–7, 264
  - service sector coverage 269, 272, 274

Colombia
- Arco del Pacífico initiative 148–9
- movement of natural persons 134–5
- service agreements with EU 119–20
- commercial presence (mode 3) 4, 17, 21, 26, 29
- under NAFTA 106–8
- and rules of origin 309, 311
- scheduling approach 298
- trade liberalization trends 278–9, 319, 326, 372, 402–4, 408

Common Market of Eastern and Southern Africa (COMESA) 205–6

Tripartite Agreement 206–10

construction services 71

in Asian PTAs 262, 271–2, 274, 324–6, 328–9

PTA commitments, generally 28, 363, 405

consumption abroad (mode 2) 17, 296, 326, 408

cross-border trade in services (mode 1) 17

cross-border trucking, FTA dispute settlement cases 139–41

under NAFTA 107, 115–16, 125, 128

standstill provisions 128

Darussalam 24–5

Deep and Comprehensive Free Trade Areas (DCFTA) 187

denial of benefits clauses 407–8

under GATS 204

third country influences on 49–54
developing countries, generally development cooperation in FTAs with EU 122–3, 216, 218, 230
GATS, increasing participation in 215–16
GATS+ commitment variations 24–7
development cooperation in FTAs with EU 122–3, 216, 218, 230
digital trade and computer services 71 inclusion in TISA 424
PTA commitments, generally 28, 97–8, 221, 405
dispute settlement, under FTAs 137–42
on cross-border trucking 139–41 in telecommunications sector 141–2
WTO rulings 138–9, 155–7
distribution services provision 71 in Asian PTAs 324–6, 328–9
PTA commitments, generally 28, 97–8
WTO dispute settlement cases involving 138–9, 157–8
Doha Development Agenda
EU bilateral agreement developments 189–90
influences on services trade policy 16–17, 187, 402–6
domestic regulation
under Asian PTAs, generally 247–9, 304
under India-Sri-Lanka Closer Economic Partnership Agreement (CEPA) 304
NAFTA treatment of 115
and services trade barriers 401–2, 406–7
Dominican Republic 134
East African Community (EAC) 204–5
Tripartite Agreement 206–10
Economic Community of West African States (ECOWAS) 203–4
economies of scale
and services PTAs 41–2, 44–5, 54, 190, 207, 310–11, 429
education services provision in Asian PTAs 262, 324–6, 328–9
PTA commitments, generally 28, 327, 405, 423
electricity generation services provision
PTA commitments, generally 97–8, 341, 405
emergency safeguard measures in Asian PTAs, compared with GATS 252–3
under India-Sri-Lanka Closer Economic Partnership Agreement (CEPA) 305–6
environmental services provision in Asian PTAs 239, 259, 278–9, 324–6, 328–9
PTA commitments, generally 28, 363–4, 383, 404–6, 423, 428
European Union
EU-ASEAN PTAs 188, 190
EU-Canada PTA and CETA 188–9
EU-CARIFORUM EPA 211–21
EU-India PTA 189
EU-Latin America PTAs 188
EU-transregional PTAs 188, 190–92
EU-US PTA and New Transatlantic Agenda (NTA) 189
Everything But Arms (EBA) Initiative 216
first mover advantage 7, 219
FTA dispute settlement cases 138
FTA service agreement negotiations 119–23
compared with NAFTA terms 120–22
and development cooperation 122–3
investment protection provisions 120
movement of natural persons 135–7
positive list approach 121–2
special sector provisions 121–2
GATS+ liberalization trends 213–16
GSP Scheme 216
internal market, generally background 163–8
development 168–74, 180–81, 194–5
implementation instruments 162–3, 165
The preferential liberalization of trade in services

importance 161–2
objectives 162–4
positive excess growth in services
trade under FTAs 146–7, 159
services trade liberalization, external
trade
bilateral and regional negotiations
on services 187–92, 195
Deep and Comprehensive Free
Trade Areas (DCFTA) 188
Doha Round, influence on
189–90, 193
ECJ rulings, role of 185–6
GATS, relationship with 182–7
GATS+ trends 214–16
objectives 182
plurilateral negotiations on
services 193–4
PTA developments 187–92
and Trade in Services Agreements
(TISA) 193–4, 413
Trans–Pacific Partnership 187
services trade liberalization, internal
trade
Cecchini Report 169–70
ECJ rulings, role of 167–8,
170–74, 177–8, 180–81
and freedom of establishment
166–7
and GATS negotiation process
167
general characteristics 160–61
General Programs 168
harmonization, influence on
competition 168–9
integration clauses 162–3, 165
Internal Market Strategy for
Services 174–6
and law of justification 172–4
and law of prohibition 170–72
legislation supporting 161–3
Lisbon Strategy 174–6
and Member State restrictions
166, 173–4, 179
Monti Report 180
and mutual recognition 177–8
overt and covert discrimination
171–2
and proportionality 173–4
services, defining 161, 165–6
Services Directive 174–81
Single European Act 169
Single Market Act debate 179–80
Spaak Reports 163–4, 168
standstill clauses 162, 165
Treaty of Rome treatment 164–7,
169, 170–74
trends and importance 160
White Paper 168–9
excess growth methodology 143–7
example of positive growth in service
trade under FTAs 145–7, 158–9
factors influencing 143–5
principles of 144

FDI
under Asian PTAs 279
under Australian PTAs 343–4,
360–61, 374, 376
NAFTA treatment of 108
regional liberalization as inducement
for 44–5
financial services provisions
in American FTAs 123–30
in Asian PTAs 246–7, 262–4, 272,
312–14
EU FTA provisions 131–2
NAFTA special provisions 108–9,
123–30
cross-border trade rules and
disciplines 128
general application provisions
128–30
investment rules and disciplines
125–8
scope and coverage 124–5
self–regulatory organizations 130
post–GATS liberalization trends
404–5, 428
in RTAs, alternative approaches
130–32
rules of origin 51, 53–4
first mover advantage 54, 407, 409
in EU PTAs 7, 195, 219
and rules of origin 310
sunk costs 43–4, 51, 369
foreign service providers
additional costs for, fixed and
variable 40–41, 53
entry restrictions 41–2
ownership restrictions 39
quota rents 41
sequential entry 43–4
taxes and subsidies 40
free trade agreements, generally see also North American Free Trade Agreement
in the Americas 101–2, 149–50
alternative approaches 130–32
comparison of service treatment under FTAs 152–4
convergence opportunities 147–9
liberalization modality 112–13
positive list approach to 110–14
services agreement developments 102–6
EU, service agreement negotiations with 119–23
and development cooperation 122–3
investment protection provisions 121
positive list approach 121–2
special sectors provisions 121–2
impact of assessment challenges 142–3
excess growth methodology 143–7
movement of natural persons 132–7
services dispute settlement provisions 137–42
on cross-border trucking 139–41
in telecommunications sector 141–2
standstill provisions 104–5, 128
Free Trade Area of the Asia-Pacific (FTAAP) 387–9
Fu-Lung Group 416–17
GATS
African regional services trade initiatives 204–6, 213–14
Developing Countries, increasing participation 215–16
development
cross-sector liberalization trends 404–5, 428
Doha Development Agenda 16–17, 187, 189–90, 402–6
ECJ rulings, role in 185–6
and EU bilateral agreements 189–90, 192
GATT, extension from 186–7
trade liberalization trends 402–4
Uruguay Round negotiations 184–6, 405, 414–17
US influences on 183
EU services trade, relationship between 182–7
and FTAs and PTAs, generally
differences and complimentary features 2
extension beyond scope of 3–5, 16–30
regional and bilateral PTA approaches compared with 37–8
relationship between 54–5
sequential liberalization of 52–3
and NAFTA, compared 102–4, 108, 114–15, 301–2
positive list approach 103–5, 109–11
provisions on economic integration (text of Article V) 431–2
financial services 129, 404–5
mutual recognition 186–7, 318–19, 410
rules of origin/ denial of benefits 49–54, 204, 307–8
standstill clauses 104–5
GATS+ commitments
in EU-CARIFORUM EPA 213–16
proportion of services sub-sectors subject to GATS+ commitments 18–22
regional variations 22–7, 31
sectorial variations 27–8
study methodology 35–6
and TISA 418–22, 426
government procurement services in American PTAs 119, 148, 191
Government Procurement Agreement (GPA) 416
under NAFTA 105, 107, 119
Grünfeld, L. 68
health and social services in Asian PTAs 324–6, 328–9
PTA commitments, generally 28, 71, 405

India
PTAs and GATS liberalization trends and models 278, 330–1
services commitments and GDP 275–7
India-Japan CEPA 287–8
India-Korea CEPA 230
comparison with GATS provisions 242–5, 247, 250, 252–5, 269–72, 327
comparison with India-Sri-Lanka CEPA 299–309, 312–13, 316, 320, 327–31
cross-cutting issues 237–40
domestic regulation provisions 304
investment services provisions 312–13
key disciplines in service provision 231–7, 259–60, 263, 266
movement of natural persons 282, 284–5, 316–17
mutual recognition provisions 320
national treatment provisions 301
rules of origin 308–9
service sector coverage 269–72, 274
subsidies and emergency safeguard measures 305
correlation with GATS provisions 243–4, 248, 251–5, 296–321, 324–33
correlation with India-Korea CEPA 299–309, 312–13, 316, 320, 327–31
correlation with India-Singapore CECA 299–309, 312–13, 316–17, 320, 327–31
correlation with SATIS 296, 299–309, 312–13, 320
cross-cutting issues 237–40
dispute settlement mechanism on domestic regulation 304
on emergency safeguard measures 305–6
investment services provisions 312–14
key disciplines in service provision 231–7, 260
liberalisation scheduling, approach to 298–300
liberalisation trends and opportunities 321–34
on market access 302
most-favoured nation principle 302–3
movement of natural persons 307–11
mutual recognition provisions 318–21
national treatment provisions 300–302
objectives and focus of 296–307
rules of origin in services 307–11, 332–3
service sector coverage 299–300
services commitments, scope and extent of 321–7
Sub-Committee on Trade in Services 306–7
on subsidies 304–5
Indonesia
GATS+ commitment variations 24–5
Japan-Indonesia EPA 281–2
movement of natural persons 281–2
PTAs and GATS service sector
coverage 269
services commitments and GDP
275–7
insurance services 71
EU liberalization 166
under NAFTA 123–8, 130
PTA commitments, generally 28
International Services Agreement
(ISA) 413 see also Trade in
Services Agreements (TISA)
International Technology Agreement
(1996)(ITA) 415
investment services provision see also
FDI; financial services
Asian PTAs, provisions in 258–9,
312–14
NAFTA model treatment 107–8, 312
and rules of origin 50–54, 308
under Sri-Lanka Economic
Partnership Agreement (CEPA)
312–14
substantive business rule 308
Japan
approaches to FTAs 130
dispute settlement cases 138
India-Japan CEPA 287–8
movement of natural persons 130,
281–2
positive excess growth in services
trade under 146, 159
PTAs and GATS liberalization
models 278–9
services commitments and GDP
275–7
Trans-Pacific Partnership (TPP)
117
Japan-Indonesia EPA 281–2
Japan-Philippines EPA 230
comparison with GATS provisions
243, 245–9, 254, 269–70, 272
cross-cutting issues 237–40
key disciplines in service provision
231–7, 259–63
movement of natural persons 281,
285–7
service sector coverage 269–70, 272,
274
Japan-Singapore CECA 230
comparison with GATS provisions
246–9, 256, 269–70, 272
cross-cutting issues 237–40
key disciplines in service provision
231–7, 263
movement of natural persons 282
service sector coverage 269–70, 272,
274
Japan-Thailand FTA 281
Kenya 200
Kimura, F. 68–9
Korea see also India-Korea CEPA
FTAs, generally 116, 131
GATS+ commitment variations
22–3
movement of natural persons 134
PTA and GATS liberalization
models 278–9
services commitments and GDP
275–7
US-Korea FTA 230–40, 243–8, 259,
261–3, 265–6
labor mobility provisions see
movement of natural persons
Latin America and Caribbean,
generally
Asian trade trends 118
GATS+ commitment variations 27,
29–30
service PTA trends 5
Lee, H. 68–9
Lejour, A. 68–9
Lennon, C. 69
licensing requirements 40
Malaysia
GATS+ commitment variations
24–5
India-Malaysia PTA 288–9
PTA and GATS services
commitments and GDP 275–7
service sector coverage in PTAs
269
services commitments and GDP 275–7
Trans-Pacific Partnership (TPP) 117
maritime transport and services
in Asian PTAs 241, 286
EU PTA treatment 121
GATS treatment 186, 241, 308
PTA commitments, generally 28, 97–8, 405
and rules of origin provisions 308
market access 16, 39–40
in Asian PTAs, generally 246–7
GATS and NAFTA treatment compared 109–15, 302
under India-Sri-Lanka Closer Economic Partnership Agreement (CEPA) 302
monopolies/ oligopolies, influence on 46
MERCOSUR (Common Market of the South)
FTAs, model for 104
service agreement negotiations with EU 120, 190–91
Mexico
approaches to FTAs 130
Arco del Pacífico initiative 148–9
movement of natural persons 133, 136
positive excess growth in services trade 146, 159
service agreements with EU 119
services dispute settlement cases 138–42
Trans-Pacific Partnership (TPP) 117–19
Middle East
GATS+ commitment variations 27
service PTA trends 5
Mobistar (ECJ) 172
modes of supply
commercial presence (mode 3) 4, 17, 21, 26, 29
under NAFTA 106–8
and rules of origin 309, 311
trade liberalization trends 278–9, 319, 326, 372, 402–4, 408
consumption abroad (mode 2) 17, 296, 326, 408
cross-border trade in services (mode 1) 17
cross-border trucking, FTA dispute settlement cases 139–41
NAFTA provisions 107, 115–16, 125, 128
trade liberalization trends 402–4
movement of natural persons (mode 4) 17, 422–3
in American FTAs 132–7
in Asian PTAs 260–61, 279–87, 314–21
in FTAs with extra-regional partners 135–7
trade liberalization trends 408, 411
monopolies/ oligopolies influences on trade and market access 46
Monti Report (EU) 179
Morocco
Morocco-US FTA 198, 210–11
most-favoured-nation principle 42–4, 49
in Asian PTAs, compared with GATS 225, 242–3
under India-Sri-Lanka Closer Economic Partnership Agreement (CEPA) 302–3
liberalization 44, 54, 403, 406–7, 409
NAFTA treatment 107, 110, 116, 129, 140
movement of natural persons (mode 4) 17, 422–3
in American FTAs 132–7
in Asian PTAs 260–61, 279–87, 314–21
in FTAs with extra-regional partners 135–7
trade liberalization trends 408, 411
Moxnes, A. 68
Multilateral Agreement on Investment (OECD) 417
mutual recognition provisions in Asian PTAs, compared with GATS 249–50, 318–21
and EU services trade liberalization 177–8
under GATS 186–7, 318–19, 410
national treatment provisions 16
in ASIAN PTAs, compared with
GATS 243–4
in Australian PTAs 350–51, 359
under India-Sri-Lanka Closer
Economic Partnership
Agreement (CEPA) 300–302
interpretation challenges 140–41
NAFTA and GATS models
compared 300–301
natural persons see also movement of
natural persons
definition 308, 310
NCCR-Trade Regulation project 1
New Transatlantic Agenda (NTA) 190
New Transatlantic Marketplace
(NTMA) 190
New Zealand
PTAs with Australia 351–3, 357
Trans-Pacific Strategic Economic
Partnership (TPSEP) 117
Nigeria 199–200
North American Free Trade
Agreement (NAFTA)
commercial presence (mode 3) 106–8
dispute settlement provisions 137–42
extensions beyond scope 105–6
framework development
background 102–6
compared with GATS 102–4, 108,
114–15
domestic regulation provisions
115
negative list approach 103–5,
109–14
template improvements 114–16
US Trade Promotion Authority,
influence of 114–16, 118
as FTA model 102–5, 149–50
compared with EU negotiations
120–22
core disciplines 110
cross-border trade in services 107,
115–16, 125, 128
domestic regulation provisions 115
financial services sector, special
provisions 108–9, 123–30
global use, extent of 116–19, 294
investment services provisions
107–8, 312
market access provisions 109–15,
302
and most-favoured-nation
principle 107, 110, 116, 129,
140
movement of natural persons
132–7
national treatment provisions
300–301
and ongoing liberalization
110–111
ratchet clauses 110–111, 117
service sector inclusion policy
109–10
structure and rules of 106–9
telecommunications sector, special
provisions 109
temporary entry 108
transparency 111–15, 129–30
unconditional application of
disciplines 110
standstill provisions 104–5, 128
North-North PTAs
key disciplines in service provision
31–7
provision exclusions 254
rules of origin for services 408
service trade committees, provision
exclusions 254
trade effects of service provision 69,
84–8
North-South PTAs
key disciplines in service provision
31–7, 261
role in services trade development
403
trade effects of service provision 69,
84–8
optimum regulatory areas 47–8
Pakistan see also China-Pakistan
FTA
GATS+ commitment variations
24–5
PTAs and GATS liberalization
models 279
services commitments and GDP
275–7
Panama 134
Peru

*Arco del Pacifico* initiative 148–9
movement of natural persons 134–5
service agreements with EU 119–20
Trans-Pacific Partnership (TPP) 117–18
transparency in 129–30

Philippines see also Japan-Philippines

EPA

GATS+ commitment variations 24–5
PTAs and GATS liberalization models 278–9
services commitments and GDP 275–7
postal and courier services 28, 183, 371, 404–5, 423, 428
preferential trade agreements (PTAs), generally see also services PTAs
benchmarks for measuring success of 362, 364, 366–7
economic effects of 38–9
goods only provision, trade effects 5–6, 69, 80, 84–8
as incomplete contracts 1, 37
liberalization commitments 16–17
market access 16, 39–40
movement of natural persons 135
multilateralization 409–11
negotiation opportunities of 38
notification to WTO as service agreements 68
phase-in periods 83–4
precedents for 213–16
service trade provision under agreements featuring service trade provisions 65–7
inclusion trends 1, 68
third country effects 48–53
rules of origin and denial of benefits 49–54
sequential entry 52–4
trade effects of service provision in bilateral goods exports 80, 83, 91–6
bilateral services trade determinants 70–71
generally 69–70
phase-in periods 83–4
research method 70–74, 92–6
research results 74–88, 97–8
service export flows 77–8
preferential treatment, generally
branching rights 39
costs and benefits 39–41, 47–8, 53
and economies of scale 44–5
first mover advantage 54, 407, 409
fixed costs, influences on 41, 53
foreign ownership restrictions 39
liberalized entry barriers 42
licensing requirements 40
and market access 16, 39–40
most-favoured-nation principle 42–4, 49, 54, 406–7, 409
national trade-offs 47
optimum regulatory areas 47–8
reasons for 46–7
regional liberalization as FDI
inducement 44–5
regulatory cooperation 46–8, 54
sequential entry 43–4, 52–4
service providers, restrictions on numbers of 41–2
sunk costs 43–4, 51
taxes and subsidies 39
variable costs, influences on 40–41, 53

vs. discriminatory restrictions 39

professional services provision see also movement of natural persons;
movement of goods only; mutual recognition provisions
additional costs 41
in American FTAs 117, 136, 152–4
in Asian PTAs 248, 261
in Australian PTAs 350, 361, 375
NAFTA treatment 106–7, 117, 136
PTA commitments, generally 28, 97–8, 405
and regulatory intensity 45
service classifications 136
Protocol of Montevideo on Trade in Services (1997) 104

quota rents 41
ratchet clauses 110–111, 117, 421
‘Really Good Friends of Services’ 193–5, 413
proposed TISA PTAs 425
recreational services *see* tourism and recreational services

regionalism, in services trade PTAs
- advantages and disadvantages 44–5
- GATS+ commitment variations 22–7
- as remedies to regulatory intensity 45–7

regulatory cooperation 54
- costs of 47–8
- national trade-offs 47
- optimum regulatory areas 47–8
- reasons for 46–7

road, rail and auxiliary transport and services provision 28, 405
in Asian PTAs 324–6, 328–9

rules of origin
- GATS provisions 49–54, 204, 307–8, 332–3
- under India-Sri Lanka CEPA 307–11, 332–3
- liberalization, degrees of 407–8
- natural persons, definition 308, 310
- research limitations 50
- service markets, relevance to 50–52
- substantive business rule 308

Sàez, R. 129
Sàger (*ECJ*) 171–2, 174, 181
Schafer, W. 86

sequential liberalization 43–4, 52–3

service regulation
- economic influences on 45
- and market failure 45–7
- national impediments from 45–6
- and natural monopolies/ oligopolies 45–6
- regulatory cooperation, reasons for 45–7, 54

services PTAs, generally *see also* modes of supply
- agreement architecture, features of 294–5
- definitions and interpretation 39
- development trends 15
- economic effects of 38–9
- and GATS
  - differences and complimentary features 2

regional and bilateral PTA approaches compared with 37–8

GATS+ commitments 3–5, 16–30, 403
- proportion of services sub-sectors subject to 18–22
- regional variations in 5, 22–7, 31
- sectorial advances in 27–8
- liberalization commitments 16–17, 38
- liberalization opportunities 38
- negotiating capacity developments 37–8
- research trends 37, 68
- welfare effects 401–2, 409

services trade, generally
- agreement architecture, features of 294–5
- bilateral services trade determinants 70–71
- committees for, PTA provisions regarding 253–4
- definitions 294, 401–2
- denial of benefits 49–54, 407–8
- Doha Development Agenda
  - influences on 187, 402–6
- economic effects 38–9
- excess growth methodology
  - application challenges 142–3
- examples of positive growth in service trade under FTAs 145–7, 158–9
- factors influencing 143–7
- and goods trade
  - differences from 294, 401–2
- goods only provisions, trade effects 5–6, 69, 80, 84–8
- liberalization
  - cross-sector comparison 404–6, 428
    - sequence, relevance of 402
  - location-specific sunk costs 51, 53–4
  - optimum regulatory areas 47–8
- preferential treatment
  - bilateral and regional variations 402–6
  - branching rights 39
  - costs and benefits 39–41, 53
  - and economies of scale 44–5
The preferential liberalization of trade in services

and FDI inducements 44–5
fixed costs, influences on 41, 53
foreign ownership restrictions
liberalization, degrees of 406–8
liberalized entry barriers 42
licensing requirements 40
and market access 16, 39–40
most-favoured-nation principle 42–4, 49, 54, 406–7, 409
multilateralization 409–11
pre-commitment requirements 410–11
regional liberalization 44–5
regulatory cooperation 46–8, 54
sequential entry 43–4, 52–4
service providers, restrictions on numbers of 41–2
sunk costs 43–4, 51, 53–4
taxes and subsidies 39
variable costs, influences on 40–41, 53
vs. discriminatory restrictions 39
welfare effects 401–2, 409
promotion mechanisms 294–5
proximity of supplier and consumer 39, 401
and third countries, influences on 48–9
rules of origin and denial of benefits 49–54
sequential entry 52–4
trade effects of service provision in PTAs 2, 69
bilateral goods exports 80, 83, 91–6
research method 70–74, 92–6
research results 74–88, 97–8
services exports flows 77–8
and trade theory 39
Singapore see also India-Singapore CECA; Japan-Singapore CECA
FTAs 116
GATS+ commitment variations 22–3
movement of natural persons provisions 282
negative excess growth in services trade 145–6, 158
PTA liberalization models 278–9
PTA service commitments and GDP 275–7
Trans-Pacific Strategic Economic Partnership (TPSEP) 117
South Agreement on Trade in Services (SATIS) 296
compared with India-Sri-Lanka CEPA agreement architecture 296, 299–300
commitments, generally 327–31
domestic regulation provisions 304
investment services provisions 312–13
movement of natural persons 296, 299–300, 320
mutual recognition 320
rules of origin 308–9, 332–3
subsidiaries and emergency safeguard measures 305–6
South-South PTAs as form of gradual liberalization 44, 54
key disciplines in service provision 31–7
rules of origin for services 51, 408
sequential entry 52, 54
trade effects of service provision 69, 84–8
Southern African Customs Union (SACU)
EFTA PTA 211
Southern African Development Community (SADC) 199–200
EU EPA negotiations 211–12
Tripartite Agreement 206–10
Spaak Reports (EU) 163–4, 168
Sri-Lanka see also India-Sri-Lanka Closer Economic Partnership Agreement (CEPA)
GATS services commitments and GDP 275–7
goods PTAs and FTAs 295–6
PTAs choice of architecture 298–300
services trade trends 295–6
subsidies in Asian PTAs, compared with GATS 251–2
Index

sunk costs, influences on 43–4, 51, 53–4
Switzerland
GATS+ commitment variations 24–5
telecommunications services 71
in Asian PTAs 264–5, 272, 324–5, 328–9
dispute settlement under FTAs 141–2
NAFTA special provisions 109
post-GATS liberalization trends 404–5, 428
PTA commitments, generally 28, 97–8
Thailand
GATS+ commitment variations 24–5
Japan-Thailand FTA 281
movement of natural persons 281
PTAs and GATS services commitments and GDP 275–7
service sector coverage in PTAs 269
third country effects of PTAs 48–9
rules of origin and denial of benefits 49–54
sequential entry 52–4
tourism and recreational services 71
in Asian PTAs 238, 266, 296, 324–9
in EU-CARIFORUM EPA 122–3, 215
PTA commitments, generally 28, 363–4, 404–5, 428
Trade in Services Agreements (TISA)
background 193–4, 413–17
challenges of 414, 420–24, 426–7
compatibility with GATS 418–22, 426
digital trade, inclusion of 424
plurilateral vs. preferential features 416–17
proposed PTAs under 425
ratchet clauses 421
and regulatory transparency 426
success potential 418, 423–4, 426–8
TISA members’ share in world services trade 419
Trade Sustainability Impact
Assessment on 194
Trans-Pacific Partnership (TPP) 106, 117–19, 289, 387–9
Trans-Pacific Strategic Economic Partnership (TPSEP) 117, 131
transparency
in Asian PTAs, compared with GATS 244–6
services trade advantages of 294–5
Treaty of Abuja 202–3
Treaty of Rome
and EU internal services trade liberalization 164–7, 170–74
Tripartite Agreement (EAC) 206–10
trucking, cross-border, FTA dispute settlement cases 139–41
United States
APEC, influence on 388
Canada-US FTA 102–3, 123
FTA dispute settlement cases 138
GATS+ commitment variations 22–3
GATS services commitments and GDP 275
influence on other regions’ GATS/GATS+ commitments 30
movement of natural persons 132–4
New Transatlantic Agenda and Marketplace, with EU (NTA/NTMA) 190
positive excess growth in services trade under FTAs 145–6, 158–9
Trade Promotion Authority role in FTAs 114–16, 118
Trans-Pacific Partnership (TPP) 117–18
United States-Korea FTA 230–40, 243–8, 259, 261–3, 265–6
United States-Morocco FTA 198, 210–11
Uruguay Round
negotiations on services trade 184–6, 405, 414–17
Van Bisbergen (ECJ) 170–72
variable costs, influences on 40–41, 53
Venezuela 105
Verheijden, J. 68–9
Vietnam
GATS+ commitment variations 24–5
Trans-Pacific Partnership (TPP) 117
Viner, J. 401

Walsh, K. 69
welfare effects
of service trade PTAs 401–2, 409
of trade liberalization, in Australia 369–70

West African Economic and Monetary Union (WAEMU) 204
Wouters (ECJ) 171
WTO
dispute settlement rulings on services provision under FTAs 138–9, 155–7
Government Procurement Agreement (GPA) 416
rulings on EU incompatibility with non-reciprocal trade relationships 190–91