
Organization of the Services Negotiation

GATS addresses trade in services under 4 modes of supply:

- Mode 1: Cross-border supply. A service provided in one country to a customer in second country, without either party required to travel.
- Mode 2: Consumption abroad. A service provided by a domestic provider to a customer who travels from a second country.
- Mode 3: Commercial presence. A service provided by a majority-owned (or otherwise foreign controlled affiliate) to individuals in a second country.
- Mode 4: Presence of natural persons. A temporary visit by a service provider to a second country to provide a service.

Timelines

- Pursuant to a mandate in the Uruguay Round, negotiations to liberalize trade in services under the General Agreement on Trade and Services (GATS) began in 2000 and were subsequently folded into the Doha Round.
 - The Services Council established the negotiating guidelines and procedures in March of 2001.
 - Initial bilateral market access requests were to be tabled by June 30th, 2002 (although members have continued to submit proposals past this deadline). Virtually all members have received initial requests from 30 mainly developed and larger developing countries.
 - Members are to respond to requests with initial offers by 31 March 2003.
 - The Special Session of the Council for Trade in Services established, on 6 March 2003, agreed criteria for granting credit for autonomous liberalization (the purpose of which is to facilitate bilateral bargaining for specific commitments on market access).
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The services negotiations are raising a large number of technical and not-so-technical issues, but there is no talk of changed architecture, notwithstanding the many criticisms that have been leveled concerning the GATS structure.

- Overall, the services trade discussions are plagued by a lack of high quality and sufficiently detailed data. There were no useful data in the Uruguay Round when the architecture for the GATS was developed and the situation has not improved materially since. Investment statistics, especially those relating to services, are also poor, which poses issues for analysis of Mode 3 (commercial presence).