



## THE GATS

### Overview and Key Provisions

The GATS, which was negotiated in the Uruguay Round and came into effect on January 1, 1995, is the first multilateral agreement covering trade in services. It essentially operates on two levels:

- **First**, there are certain “horizontal” obligations that apply, in principle, to any governmental measures affecting the supply of services. These obligations include MFN treatment, transparency and the provision of administrative review and appeal procedures.
- These general obligations, however, may not be applicable to many municipal programs due to various exemptions and exceptions in the GATS, as discussed in the next section.
- **Second**, GATS member countries have made sector-specific commitments to provide market access and national treatment in areas of their own choosing. Canada has made such commitments in a range of sectors, including professional, environmental, financial, communications, construction, transportation and tourism services.