

## Improving Access for Trade in Services

### NEGOTIATIONS IN THE GENERAL AGREEMENT ON TRADE IN SERVICES

The service sector is leading Canada's transformation to a knowledge-based economy. As a significant exporter of services, Canada relies on multilateral, legally enforceable rules on trade in services. These rules help ensure that Canadian exporters receive fair and equitable treatment in foreign markets. The ongoing services negotiations at the World Trade Organization are thus important for Canada, promising to open up new markets to Canadian entrepreneurship, innovation and know-how.

Canada is pursuing multilateral, legally enforceable rules that will allow increased access to foreign markets for Canadian services firms. It is working collectively with other WTO members to further enhance the transparency and clarity of the General Agreement on Trade in Services (GATS) in order to make it more user-friendly. Issues for consideration during the talks include sectors of export interest to Canadian industry, current or potential barriers faced by Canadian industry in providing services to foreign markets or consumers, improving access to countries that are key export destinations for Canadian services providers, and providing Canadians with access to quality services at a competitive price.

The current round of negotiations started in January 2000, as required by the GATS (established as part of the WTO agreements in 1995). At the Ministerial Conference in Doha in November 2001, WTO members set two key negotiating deadlines: June 30, 2002, for submission of each country's initial requests to other countries, stating areas of interest for market access commitments; and March 31, 2003, for submission of each country's offer to open specific sectors. A target date of January 2005 was also established for the conclusion of this round of negotiations.

Canada presented its initial requests to other WTO members by the agreed deadline and, on July 8, 2002, made public a summary of the openings

that it was asking selected countries to make. A description of the initial market access requests that Canada made of other countries is available on-line ([www.dfait-maeci.gc.ca/tna-nac](http://www.dfait-maeci.gc.ca/tna-nac) and <http://services2000.ic.gc.ca>). This information was compiled following detailed consultations with Canadian stakeholders and in close cooperation with the provinces and territories. Canada also paid particular attention to the situation of our small and medium-sized enterprises. The requests seek greater market access in 12 sectors of key interest where there is considerable economic opportunity for Canadian services providers, including providers of professional, business, financial, telecommunications, computer and environmental services.

On March 31, 2003, Canada made public the full text of the initial conditional offer it presented to its trading partners in the GATS negotiations. Canada was the first country to commit to making its offer public, and it is pleased that other WTO members have done so as well. Canada's initial offer contains the proposed guarantees of market access and non-discrimination that it would offer to other countries in exchange for greater access to foreign services markets. Canada is proposing to make increased market access commitments in:

- financial services;
- business services (including accounting, legal, architectural, engineering, real estate, and management consulting);
- communication services (courier services);
- construction services;
- distribution services;
- tourism and travel-related services; and
- transport services.

More details on Canada's initial GATS offer are available on the Government of Canada Web site for the GATS negotiations (<http://services2000.ic.gc.ca>).

The initial offers take into account the basic negotiating objectives that each country has set for itself, as well as the various bilateral requests it has received from other members. Canada's objectives are reflected in its initial offer, which does not include any commitments on health, public education, social services or culture. The initial offer and all subsequent offers are conditional on the overall level of liberalization achieved at the end of the negotiations. This means