

# **WTO Rules on RTAs**

## **- GATS V-**

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# Aims for This Session

- Familiarizing with the WTO rules on RTAs, focusing on trade in services
- Applying such rules in RTA practice



# **GATS Article V**

## **Economic Integration Agreements**

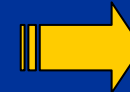
**They are allowed to seek  
departures from the MFN principle**



# Consistency Criteria

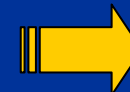
**BUT, subject to the fulfilment of certain conditions:**

**Trade liberalization among the parties should cover a broad range of services activities**

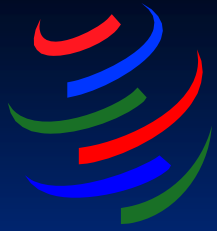


**Internal Requirement  
(V:1)**

**Non-party WTO Member should not encounter a higher overall level of barriers to its services trade as a result of an RTA**



**External Requirement  
(V:4)**



# Internal Requirement

**Have “substantial sectoral coverage”**

**Number of sectors, volume of trade affected, modes of supply**

**Not excluding any of the four Modes of supply for the sectors covered**

**In the sectors covered, substantially all discrimination should be absent**

**Elimination of existing, prohibition of new or more restrictive, discriminatory measures**



# External Requirement

**No particular guidelines on how to assess whether  
“the overall level of barriers” has been raised  
against any non-party Member**

**If a Member’s WTO specific commitments are made  
more restrictive, these should be renegotiated  
(GATS V:5)**



# Relationship with Services Providers from Third Parties (I)

- GATS Art. V.6
- Service providers from third countries can take advantage of an RTA, subject to such third country's “**substantive business operations**” in the RTA parties

[https://www.yunbaogao.cn/report/index/report?reportId=5\\_7912](https://www.yunbaogao.cn/report/index/report?reportId=5_7912)

预览已结束，完整报告链接和二维码如下：



## Relationship with Services Providers from Third Parties (II)

an agreement between/among developing  
some flexibilities for them are provided

may be granted to the  
" service providers only



Para. 3b