Financial services, 5th protocol to the GATS: results of the World trade Organisation negotiations WTO

1998/0239(CNS) - 14/07/1998 - Legislative proposal

OBJECTIVE: to approve on behalf of the Community and as regards matters within its competence the Fifth Protocol to the General Agreement on Trade in Services (specifically on financial services).
SUBSTANCE: During the multilateral negotiations within the WTO to liberalise world trade in services, a new chapter of negotiations concluded on 12 December 1997 with the decision to include financial services permanently in the framework of the general agreement on liberalisation. More specifically, the Community presented a list of commitments representing the position of the Community and its Member States, which must now be approved on behalf of the Community. Through the agreement reached on 12 December 1997, financial services will be included on a permanent basis in the WTO, securing a peaceful trading environment. Conflicts will no longer be resolved through unilateral pressure, but will be addressed by the impartial WTO dispute settlement mechanism. The new agreement will ensure that the banks, insurance companies, securities firms and other financial services companies operating internationally will have free access to the market in non- discriminatory conditions, with national treatment conditions for part of the international trade in financial services.