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1 ARTICLE I OF THE GENERAL AGREEMENT ON TRADE IN SERVICES

1.1 Text of Article I

Article I

Scope and Definition

- 1. This Agreement applies to measures by Members affecting trade in services.
- 2. For the purposes of this Agreement, trade in services is defined as the supply of a service:
 - (a) from the territory of one Member into the territory of any other Member;
 - (b) in the territory of one Member to the service consumer of any other Member;
 - (c) by a service supplier of one Member, through commercial presence in the territory of any other Member;
 - (d) by a service supplier of one Member, through presence of natural persons of a Member in the territory of any other Member.
- 3. For the purposes of this Agreement:
 - (a) "measures by Members" means measures taken by:
 - (i) central, regional or local governments and authorities; and
 - (ii) non-governmental bodies in the exercise of powers delegated by central, regional or local governments or authorities;

In fulfilling its obligations and commitments under the Agreement, each Member shall take such reasonable measures as may be available to it to ensure their observance by regional and local governments and authorities and non-governmental bodies within its territory;

- (b) "services" includes any service in any sector except services supplied in the exercise of governmental authority;
- (c) "a service supplied in the exercise of governmental authority" means any service which is supplied neither on a commercial basis, nor in competition with one or more service suppliers.

1.2 Scope of the General Agreement on Trade in Services

1.2.1 Measures relating to judicial and administrative assistance

1. With respect to measures relating to judicial and administrative assistance in the context of Article II of the General Agreement on Trade in Services (GATS), at its meeting of 1 March 1995, the Council for Trade in Services agreed to adopt the conclusion of the Sub-Committee on Services

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concerning measures relating to judicial and administrative assistance. The adopted conclusion, *inter alia*, states that none of the provisions of the GATS would apply to such measures. 2

1.2.2 Measures relating to the entry and stay of natural persons

2. At its meeting of 1 March 1995, the Council for Trade in Services adopted a conclusion of the Sub-Committee on Services concerning measures relating to the entry and stay of natural persons.³ The Sub-Committee had dealt with the question of the basis on which a distinction between "temporary" and "permanent" residency and employment should be made. The Sub-Committee ultimately decided that the commitments set out in the individual countries' schedules were sufficiently clear, so that there was no need for further multilateral work on this issue.⁴

1.2.3 Electronic commerce

3. At its meeting of 25 September 1998, the General Council adopted the Work Programme on Electronic Commerce, which mandated the Council for Trade in Services to examine and report on the treatment of electronic commerce in the GATS legal framework.⁵

Current as of: June 2024

¹ <u>S/C/M/1</u>, paras. 14-15.

² <u>S/C/1</u>, para. 6.

³ S/C/M/1, para. 14.

⁴ <u>S/C/1</u>, para. 6.

⁵ WT/GC/M/30, section 4. The adopted Work Programme can be found in WT/L/274. With respect to the 1999 Interim Report to the General Council, see S/C/M/34, Section A. With respect to the 1999 Progress Report, which discusses, *inter alia*, the issue of public telecommunications transport networks and services within the context of the Work Programme on Electronic Commerce, see S/L/74.