

7 December 2023

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ANNUAL REPORT OF THE COUNCIL FOR TRADE IN SERVICES **TO THE GENERAL COUNCIL (2023)**

Since its Annual Report of 2022 to the General Council¹, the Council for Trade in Services held five formal meetings, on 8 December 2022, 9 March, two meetings on 12 June (one of which was dedicated to the review of Article II (MFN) exemptions) and 3 October 2023.2

During the period covered by this Report, the Council addressed the following matters.

1 NOTIFICATIONS MADE TO THE COUNCIL PURSUANT TO GATS ARTICLES III:3, V:7 AND VII:4

1.1. The Council took note, altogether, of the following notifications:

a. Notifications pursuant to Article III:3 of the GATS

Macao, China	(<u>S/C/N/1112</u>);
Hong Kong, China	(S/C/N/1113-S/C/N/1115);
Switzerland	(S/C/N/1121-S/C/N/1123;
	<u>S/C/N/1134</u>);
Ukraine	(<u>S/C/N/1126</u> ; <u>S/C/N/1132</u>);
Separate Customs Territory of Taiwan, Penghu,	
Kinmen and Matsu	(S/C/N/1127; S/C/N/1140);
Russian Federation	(S/C/N/1128-S/C/N/1131);
Mauritius	(<u>S/C/N/1141</u>).
b. Notifications pursuant to Article V:7 of the GATS	

Mauritius	(<u>S/C/N/1141</u>).
b. Notifications pursuant to Article V:7 of the GATS	
Iceland, Liechtenstein, Norway, Switzerland, United Arab Emirates, Kingdom of Bahrain, Kingdom of Saudi Arabia, Oman, Qatar and the State of Kuwait	(S/C/N/1111)
Australia, New Zealand, Samoa, Solomon Islands and Tonga	(<u>S/C/N/1052/Add.1</u>)
Brunei Darussalam, Cambodia, Indonesia, Japan,	
Lao PDR, Malaysia, Myanmar, the Philippines,	(C/C/N/4147)
Singapore, Thailand and Viet Nam	(<u>S/C/N/1117</u>)
United Kingdom, Liechtenstein and Norway	(<u>S/C/N/1072/Add.1</u>)
United Kingdom and Iceland	(<u>S/C/N/1072/Add.2</u> and
	<u>Add.3</u>)
Brunei Darussalam, Cambodia, Indonesia, Lao PDR,	
Malaysia, Myanmar, Philippines, Singapore,	(C/C/N/442E)
Thailand and Viet Nam	(<u>S/C/N/1125</u>)
Australia, Brunei Darussalam, Canada, Chile, Japan,	
Malaysia, Mexico, New Zealand, Peru,	
Singapore and Viet Nam	(S/C/N/920/Add 2 Add 3 and

Singapore and Viet Nam

(<u>S/C/N/920/Add.2</u>, <u>Add.3</u> and <u>Add.4</u>)

Colombia and Israel S/C/N/1133) S/C/N/773/Add.1) Chile and Hong Kong, China

¹ S/C/63

² Reports of these meetings are contained in <u>S/C/M/151</u> to <u>S/C/M/155</u>, and should be read in conjunction with this report.

Separate Customs Territory of Taiwan, Penghu,
Kinmen and Matsu

Republic of Korea and Indonesia

United Kingdom and Australia

United Kingdom and New Zealand

El Salvador

Montenegro and Türkiye

India and Australia

(S/C/N/1135);
(S/C/N/1136);
(S/C/N/1137);
(S/C/N/1137);
(S/C/N/544/Add.2);
(S/C/N/1138);
(S/C/N/1139).

The agreements notified in these documents were referred to the Committee on Regional Trade Agreements for consideration.

c. Notifications pursuant to Article VII:4 of the GATS

Hong Kong, China (S/C/N/1116); Switzerland (S/C/N/1118-S/C/N/1120); S/C/N/1124).

- 1.2. At the meeting held in March, the Council took note of the updated Secretariat Note containing a statistical account of the notifications made under relevant GATS provisions.³
- 1.3. The low number of Article III:3 notifications, particularly on the part of developed Members, was noted at all meetings covered by this Report.

2 IMPLEMENTATION MATTERS FROM MC12 MANDATES

2.1. Under this agenda item, the Council considered two of the four MC12 implementation matters of relevance to the CTS, namely WTO reform and the pandemic response. The other two issues, the operationalisation of the LDC services Waiver and the e-commerce Work Programme, were deliberated under respective dedicated agenda items.

2.1 WTO reform

- 2.2. With regard to WTO reform, at the December 2022 meeting the Council addressed the ideas Members had put forward on this issue.⁴ Requests that meetings of the Council and its subsidiary bodies be organised back-to-back to facilitate Capital-based participation, and that the Chairperson issue an annotated agenda for future meeting of the Council were met with support.
- 2.3. Following consultations organised by the Chairperson in February⁵, at the March meeting, the Council agreed to task the Secretariat with mapping the practices of the CTS and its most active subsidiary body, the Committee on Specific Commitments (CSC), in a similar manner to what had been done for the Council for Trade in Goods but taking due account of the specificities of the services context. Members also took note of, and welcomed, the readiness of the Secretariat to resume its practice of organising training sessions for new delegates.
- 2.4. The Secretariat Note mapping the CTS and CSC practices was considered at the June meeting.⁶ Delegations put forward a number of suggestions for improving the functioning of the CTS, and the Council agreed that the Secretariat would compile and circulate a list of these suggestions for further consideration.
- 2.5. At the October meeting, Members addressed the Secretariat compilation⁷ and considered a communication from the United Kingdom⁸ outlining proposals to improve the functioning of the CTS and its subsidiary bodies. Delegations also shared additional suggestions for possible improvements. It was agreed that the Chairperson would prepare, under her own responsibility, a report

³ JOB(09)/10/Rev.13

⁴ As reflected in <u>JOB/SERV/CTS/6</u> and <u>Addendum 1</u>. These documents provide an account of Members' views on all MC12 mandates of relevance to the CTS.

⁵ An account of the consultations is reflected in <u>JOB/SERV/CTS/9</u>.

⁶ S/C/W/433

⁷ JOB/SERV/CTS/14/REV.1

⁸ S/C/W/452

summarising the reactions to the various proposals Members had put forward and that an informal CTS meeting will be convened around mid-November to discuss next steps on the way forward.

2.2 Pandemic response

- 2.6. As for the pandemic response, at the December 2022 meeting some Members shared information about national telehealth initiatives and the impact of COVID-19 on services exporters.
- 2.7. Following consultations organised by the Chairperson⁹, at the March meeting the Council agreed to organize a series of informal experience-sharing sessions modelled on a similar exercise conducted in the Committee on Market Access, addressing: 1) transport and logistics services; 2) health services; 3) tourism services; and 4) ICT and digitally delivered services. Members agreed on the understanding that the sessions would have balanced representation, provide for the participation of external stakeholders and address the trade impact of COVID-19, both generally and specifically on LDCs, and the trade-facilitative measures introduced by Members to respond to the pandemic. The sessions would be organised during the services clusters of meetings.¹⁰
- 2.8. At that meeting, and again at the June meeting, the Council addressed two communications by India on the "Role of telemedicine services in response to the pandemic" and "Building a pool of health professionals to respond effectively to pandemics/natural disasters". Several delegations underscored the importance of the issues raised in the Indian submissions and expressed support for engaging in dedicated discussions of those issues. Other delegations said that the informal experience-sharing session on health services already offered an avenue for engagement and cautioned against unnecessary duplications; they also questioned the relevance of the GATS and the WTO to some of the issues raised in the Indian submissions.
- 2.9. At the October meeting, Members expressed appreciation for the first CTS experience-sharing session on the impact of COVID-19 on trade in transport and logistics services¹³, held on 13 June, and took note that the second session, on health services, would be held the following day. Additionally, the Council addressed a communication from India on trade-related measures taken in response to the COVID-19 pandemic.¹⁴

3 OPERATIONALIZATION OF THE LDC SERVICES WAIVER

- 3.1. At the December 2022 meeting, the LDC Group stated that it had some ideas on how to implement the paragraph of the MC12 Outcome Document relating to the Waiver and that it was working on a written submission. Following the Group's request that the Secretariat assist with the collection and compilation on LDC services export data, the Council agreed that the Secretariat would prepare a methodological note on how LDC services trade statistics could be improved.
- 3.2. In March, Members addressed the methodological Note prepared by the Secretariat on how LDC services trade statistics could be improved.¹⁵ The Note's suggestion that the Secretariat organize a one-day hybrid workshop, to explore the contours of a data improvement project, met with the Council's agreement.
- 3.3. At the June meeting, the LDC Group indicated that it was actively working on its submission to implement the MC12 mandate on the Waiver but noted that this required more information on the activities of LDC services suppliers and consumers in preference-providing Members' markets. To gather this material, the Group was developing a questionnaire targeted at LDC business associations, Regional Economic Commissions, and Capitals. The Group also encouraged preference-providing Members to seek information from their consumers of LDC services, with one Member specifically calling on them to provide bilateral data on LDC services imports. Members welcomed

⁹ An account of the consultations is reflected in <u>JOB/SERV/CTS/9</u>.

¹⁰ JOB/SERV/CTS/10

¹¹ S/C/W/426

¹² S/C/W/427

¹³ JOB/SERV/CTS/16

¹⁴ JOB/SERV/CTS/15

^{15 &}lt;u>S/C/W/428</u>

the announcement that the workshop on LDC services trade data would be organised during the October services cluster.

- 3.4. At the meeting held on 3 October, the LDC Group updated the Council on its intended written communication, indicating that it had set up the online questionnaire to obtain additional insights from LDC service suppliers. Members looked forward to the workshop on improving LDC services trade data to be held on 5 October.
- 3.5. The importance of implementing the Waiver and of increasing the participation of LDCs in world services trade was stressed by various delegations at all the meetings covered by this Report.

4 WORK PROGRAMME ON ELECTRONIC COMMERCE

- 4.1. At the December 20222 meeting, Members discussed the work the CTS could undertake pursuant to the MC12 Decision to reinvigorate the Work Programme on Electronic Commerce. All delegations expressed support for the dedicated, horizontal discussions in the General Council, with many seeing the CTS play a complementary role focused on services-specific aspects. Some delegations underscored the usefulness of the information shared by Members on their domestic experiences, and the Council agreed to task the Secretariat with compiling this information.
- 4.2. In March, Members addressed the Secretariat compilation of the experiences Members had shared in the CTS since a Chairman's Note in February 2021, 16 noting the variety of information contributed. Further information on recent domestic developments related to electronic commerce was contributed by various delegations both at the March and June 2022 meetings of the Council.
- 4.3. At the October meeting, the Council addressed a communication by the African Group relating to technology transfer and resilience building. 17 Various delegations supported the communication, emphasising the crucial relationship between e-commerce and technology transfer. Other delegations underscored that technology dissemination depended on multiple factors, such as intellectual property rights frameworks, infrastructure, and trade openness, indicating a need for a horizontal approach. It was also noted that the communication had already been discussed in detail in the dedicated discussions in the General Council. At the meeting, a couple of delegations also shared information about their capacity-building efforts for developing countries in the digital sphere.

5 REVIEW OF MFN EXEMPTIONS

- 5.1. The Council formally started its fifth review of Article II (MFN) exemptions at its December 2022 meeting, when organisational issues were discussed. Members agreed that the process would follow past practice and be conducted in a dedicated meeting, to be held in June 2023, which would be organised by sector based on a question-and-answer process. Questions, to be submitted by March 2023, would be consolidated by the Secretariat in a single document, and answers should be circulated in writing before the dedicated meeting. The Secretariat was requested to issue a procedural note for the review.¹⁸
- 5.2. The Council held the meeting dedicated to the fifth review of MFN exemptions on 12 June, at which it examined, as per the mandate in paragraph 3 of the relevant GATS Annex, all exemptions granted for a period of more than 5 years.
- 5.3. For the purpose of the review, the Secretariat circulated three background documents: two updated compilations of MFN exemptions, one organised by sector¹⁹, and one organised by Member²⁰, and a document providing updated statistical information on the number of MFN exemptions listed.²¹ As had been agreed, the questions raised were consolidated in a compilation²²; the document included questions submitted by Australia; Hong Kong, China; Japan; the Republic of Korea, and Switzerland. In advance of the meeting, the Council had received written answers from

¹⁶ S/C/W/425

¹⁷ S/C/W/450

¹⁸ JOB/SERV/CTS/7

¹⁹ JOB/SERV/29/Rev.2

²⁰ JOB/SERV/30/Rev.2 ²¹ JOB/SERV/31/Rev.2

²² <u>S/C/W/431</u> and <u>S/C/W/431/Corr.1</u>

a number of delegations 23 ; several other delegations provided answers at the meeting, most of which were then circulated in written format.

- 5.4. Pursuant to the mandate in paragraph 4(b) of the relevant GATS Annex that the Council determine "the date of any further review", at its June dedicated meeting the Council agreed to discuss the date of its next review no later than 2028.
- 5.5. The Council pursued its review discussions under an agenda item at its regular meeting in October. In advance of the meeting, the Council had received additional written responses.²⁴ At its meeting, it also took note of the compilation of questions that had not been answered the Secretariat had been asked to prepare.²⁵ Some additional answers were also provided orally at the meeting, and additional questions were submitted by India.²⁶

6 MEASURING THE SUSTAINABILITY OF TOURISM - PILOT STUDIES FROM THE UNWTO

6.1. Further to a request of Costa Rica, at the March meeting the World Tourism Organization (UNWTO) presented its initiative for a new statistical framework for Measuring the Sustainability of Tourism with the aim of setting international standards for measuring the economic, environmental, and social aspects of tourism. UNWTO has recently published pilot studies on several countries, including Costa Rica, bringing together relevant stakeholders and testing the policy relevance and feasibility of its statistical framework.

7 UPDATE OF THE SECRETARIAT BACKGROUND NOTE ON MODE 4

7.1. The Council addressed this agenda item, upon India's request, at all meetings covered by this Report. India reiterated its request that the Secretariat update the Background Note on mode 4, and said it could also support the updating of the other modal Notes. India's suggestion was echoed by several delegations at the December meeting and by one delegation at the other meetings covered by this Report. India also supported the proposal for the preparation of a Note by the Secretariat on intermodal linkages, which, however, should not replace the separate modal Notes. While affirming that a Note on intermodal linkages would be useful and could also address each mode of supply, one Member was of the view that updating the stand-alone Note on mode 4 had no added value.

8 CYBERSECURITY MEASURES OF CHINA AND VIET NAM

- 8.1. At the request of Japan and the United States, at all the meetings covered by this Report the Council addressed various cybersecurity measures adopted and under development by China and Viet Nam, respectively. The two requesting delegations shared their concerns about various aspects of those measures, which they alleged could be inconsistent with China and Viet Nam's WTO obligations, and sought additional information and clarity on the same. Their concerns were echoed by a number of other Members.
- 8.2. In reply, China said that its measures had been drafted in a transparent and WTO-consistent manner, taking into account national conditions and international practices, as well as stakeholders' comments. China emphasised the measures were not intended to hinder cross-border data flows. Viet Nam noted that its legislative process was open, transparent and had given due consideration to stakeholders' remarks and that its measures were compatible with its international commitments, non-discriminatory, clear, and proportionate to its security concerns.

 $^{^{23}}$ The Seychelles (<u>S/C/W/432</u>) and Liechtenstein (<u>S/C/W/434</u>) were included on the Council's agenda, whereas Mauritius (<u>S/C/W/435</u>); Türkiye (<u>S/C/W/436</u>); Australia (<u>S/C/W/437</u>); the Philippines (<u>S/C/W/438</u>); Honduras (<u>S/C/W/439</u>); Chile (<u>S/C/W/440</u>); the United Kingdom (<u>S/C/W/441</u>); Canada (<u>S/C/W/442</u>); Argentina (<u>S/C/W/443</u>); Singapore (<u>S/C/W/444</u>); and Tunisia (<u>S/C/W/445</u>) were issued before the meeting but after the circulation of the agenda.

 $^{^{24}}$ Canada (<u>S/C/W/442/Rev.1</u>); Nicaragua (<u>S/C/W/446</u>); The Dominican Republic (<u>S/C/W/447</u>); Colombia (<u>S/C/W/448</u>); Peru (<u>S/C/W/449</u>); the European Union (<u>S/C/W/451</u>).

²⁵ S/C/W/453

²⁶ S/C/W/455

9 5G-RELATED MEASURES OF AUSTRALIA

- 9.1 At the request of China, the Council addressed 5G-related measures of Australia at all the meetings covered by this Report. China expressed its concerns about the measures under discussion, which it alleged run counter to Australia's WTO obligations.
- 9.2 In reply, Australia stressed that its 5G-related measures were country-agnostic, transparent, risk-based, non-discriminatory and fully WTO-consistent.

10 MEASURES OF THE UNITED STATES

- 10.1 At the request of China, the Council addressed various US measures at all the meetings covered by this Report. China expressed its concerns about the US measures, which it alleged were inconsistent with the United States' WTO obligations.
- 10.2 The United States stated that the actions cited had been taken to protect its national security.

11 MEASURES OF INDIA RELATED TO CERTAIN APPLICATIONS

- 11.1 At the request of China, the Council addressed Indian measures on certain Chinese applications at all the meetings covered by this report. China voiced its concerns about the measures in question, which it alleged were inconsistent with India's WTO obligations.
- 11.2 India replied that its measures were fully compliant with its WTO obligations and that they had been introduced to ensure the protection of privacy, data security and national security.

12 WORK OF THE SUBSIDIARY BODIES

12.1. The activities of the subsidiary bodies in 2023 are reflected in their respective reports, which are annexed to this report, as follows:

Annex I Report of the Committee on Trade in Financial Services (S/FIN/38)

Annex II Report of the Committee on Specific Commitments (S/CSC/29)

Annex III Report of the Working Party on Domestic Regulation (S/WPDR/27)

Annex IV Report of the Working Party on GATS Rules (S/WPGR/34).

ANNEX I



S/FIN/38

1 December 2023

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ANNUAL REPORT OF THE COMMITTEE ON TRADE IN FINANCIAL SERVICES TO THE COUNCIL FOR TRADE IN SERVICES (2023)

Since its previous Annual Report to the Council for Trade in Services¹, the Committee on Trade in Financial Services held four formal meetings, on 7 December 2022, and 10 March, 15 June and 2 October 2023.²

During the period covered by this Report, the Committee addressed the following matters.

1 FINANCIAL SERVICES: TRADE, INCLUSION AND ACCESSIBILITY

- 1.1. At the meeting on 7 December 2022, the Committee continued with the examination of the proposal presented by Canada at the previous meeting to organize a seminar on "Financial Services: Trade, Inclusion and Accessibility".³ The proposal was later co-sponsored by Chile, China, New Zealand, the Philippines, the Republic of Korea and Ukraine.⁴ The Committee agreed on a revised annotated agenda for the seminar at the March 2023 meeting and the event was finally held on 14 June 2023.⁵ Through presentations by academics, national experts, international officials and representatives of the private sector, a wide spectrum of topics was addressed, such as the status of financial inclusion throughout the world; the economic causes and effects of financial inclusion; the role of trade in financial services and trade policy on financial services in promoting financial inclusion; the new business models and inclusive ways of providing financial services; the initiatives taken by the international community and by governments to foster financial inclusion; the work programs of international organizations, such as the OECD, the World Bank and the Bank for International Settlements; the financial inclusion of women as a means to promote the empowerment of women and gender parity and the use of trade policy, especially in financial services, to that end; the role of digital technology and of regulation in promoting financial inclusion.
- 1.2. At the meeting held on 15 June, the Chairperson reported on the issues addressed at the seminar and some Members shared additional information on their national experiences relevant to the issues addressed in the event. Discussions at that meeting, as well as at the meeting of 2 October, showed a clear interest among Members to follow up on the thematic seminar and focus more specifically on (i) the digitalization of financial services and how digital technologies are being leveraged to promote access to financial services and advance financial inclusion domestically and worldwide, and (ii) how domestic regulatory frameworks have been adapted (or need to be adapted) to take advantage of digital technology in the context of financial inclusion policies. During the discussions, various Members suggested that these issues could be further explored through thematic sessions. Against that backdrop, at the meeting of 2 October, the Chairperson suggested that the Committee hold a dedicated discussion on Fintech and Financial Inclusion. Following the

¹ Document <u>S/FIN/37</u>, dated 7 December 2022.

 $^{^2}$ Reports of these meetings are contained in documents <u>S/FIN/M/96, S/FIN/M/97, S/FIN/M/98 and S/FIN/M/99</u>, and should be read in conjunction with this report.

³ Document <u>JOB/SERV/CTFS/1</u>, dated 3 October 2022.

⁴ Document JOB/SERV/CTFS/1/Rev.1, dated 19 December 2022, and JOB/SERV/CTFS/1/Rev.2, dated 13 February 2023.

⁵ See the programme, presentations, and the Chair's summary at the seminar's webpage, available at https://www.wto.org/english/tratop_e/serv_e/serv_1406202310 e/serv_1406202310 e.htm.

request made by Members at that meeting, the Chairperson subsequently circulated an informal note providing more details on his suggestion.⁶ The Committee agreed to continue discussing this issue at the following meeting.

2 PROPOSAL FOR A THEMATIC SEMINAR ON COST OF REMITTANCE SERVICES

- 2.1. At the meeting of 10 March 2023, India introduced a proposal to organize a seminar on the cost of remittance services.⁷ The proposal was successively co-sponsored by the Philippines and South Africa.8
- 2.2. The discussion showed that Members agreed on the importance of remittances and on the link with inclusion and accessibility, which was the subject of the thematic seminar held in June. The proposal had gathered broad support. However, a number of Members requested clarification on certain elements of the proposal and suggested that the proposed agenda be rebalanced and reoriented towards the areas of competence of the Committee.
- 2.3. Proponents circulated a revised proposal after the October meeting. 9 As agreed at that meeting the Chairperson will hold further consultations on the basis of this text.

3 FUTURE WORK OF THE COMMITTEE

3.1. At the meeting of 2 October 2023, prompted by the Chairperson, who had been in office since 1 July 2023, Members exchanged views on some suggestions put forward by the Chairperson to reinvigorate the work of the Committee within the framework of its terms of reference. While several Members showed themselves in favour of addressing other issues of interest, some recalled that the process towards the identification of specific issues for discussion should be Member-driven. The Committee agreed to continue this discussion at the following meeting.

⁶ Document <u>JOB/SERV/CTFS/7</u>, dated 10 November 2023.

Document JOB/SERV/CTFS/2, dated 7 March 2023.
 Documents JOB/SERV/CTFS/2/Rev.1, dated 14 June 2023, and Rev.2, dated 26 October 2023.
 Document JOB/SERV/CTFS/2/Rev. 2, dated 26 October 2023.

ANNEX II



S/CSC/29

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ANNUAL REPORT OF THE COMMITTEE ON SPECIFIC COMMITMENTS TO THE COUNCIL FOR TRADE IN SERVICES (2023)

Since its 2022 annual report to the Council for Trade in Services¹, the Committee on Specific Commitments (CSC) held four formal meetings, on 5 December 2022, 10 March 2023, 15 June 2023 and 2 October 2023 respectively.² At these meetings, the Committee considered four items: Implementation of Specific Commitments, Classification Issues, Scheduling Issues, and the Functioning of the Committee in the Context of WTO Reform.

1 IMPLEMENTATION OF SPECIFIC COMMITMENTS

- 1.1. During the reporting period, the Committee continued to consider a proposal (S/CSC/W/73) from the delegation of Türkiye on implementation issues related to specific commitments and Article II (MFN) on cross-border supply of road transport services under the GATS. The proposal mainly raised three issues for discussion in the Committee: 1) the compatibility of imposing truck quotas with full market access commitments in Mode 1 on road transport services; 2) the understanding of "Unbound" in market access and "None" in national treatment with respect to cross-border supply of road transport; and 3) the MFN obligation with respect to all measures affecting international road transport including truck quotas, passage fees, customs measures, etc. At the meeting on 5 December 2022, the Turkish delegation made a detailed presentation providing more clarity on its proposal with a view to helping Members better understand the issues raised.
- 1.2. At the meeting on 15 June 2023, as agreed, the representatives from the UNESCAP, the World Bank and the International Transport Forum (ITF) of OECD were invited to present their work on cross-border road transport with a focus on the quota system, the core issue raised in the Turkish proposal. The purpose of these presentations was to facilitate further discussions on the Turkish proposal.
- 1.3. At the meeting on 2 October 2023, the delegation of Türkiye suggested that the Committee consider a formal "Understanding on Interpretation of Obligations in Cross Border Supply of Road Freight Transport Services". According to Türkiye, such document would include three elements: 1) an updated assessment on the current international outlook of international road freight transportation services; 2) a comparison of multilateral quota schemes with bilateral arrangements; 3) an analysis or a depiction of the scheduling methods by Members on international road freight transportation.
- 1.4. Engagement in the discussion on the Turkish proposal has been limited. Some Members noted the complexity of the issues involved, while others cautioned that the interpretation of specific commitments would go beyond the mandate of the Committee. The Chairperson would hold consultations on how to move forward under this agenda item.

¹ Annual Report of the Committee on Specific Commitments to the Council for Trade in Services (2022), contained in document <u>S/CSC/28</u> dated 6 December 2022.

 $^{^2}$ The reports of these meetings are contained in documents S/CSC/M/90, S/CSC/M/91, S/CSC/M/92, and S/CSC/M/93, which should be read in conjunction with this report.

2 CLASSIFICATION ISSUES

- 2.1. At the meeting on 5 December 2022, the UN Statistics Division and the WTO Secretariat presented a new functionality of the visualization tool that enabled the navigation between the W/120 and the different CPC versions. This visualization tool is now accessible through the trade in services portal at the WTO website.
- 2.2. At the meeting on 15 June 2023, the WTO Secretariat made a presentation on Version 2 of the Handbook on the Measurement of Digital Trade. The presentation highlighted the latest developments in the measurement of digital trade by the international statistical community with a focus on the conceptual framework, trade in services, and related classification challenges.

3 SCHEDULING ISSUES

3.1. At the meetings on 15 June and 2 October 2023, the Committee discussed the idea of inviting APEC to present its Model Schedule of Commitments for Environmental and Environmentally Related Services. While this idea received general support from delegations, one delegation advised that the presentation be made by an AEPC member given that APEC was not an observer of this Committee. The Chairperson would hold consultations on how to move forward under this agenda item.

4 FUNCTIONING OF THE COMMITTEE IN THE CONTEXT OF WTO REFORM

4.1. At the meeting on 2 October 2023, the Committee started to consider the functioning of the Committee in the context of WTO Reform. The Chairperson would hold consultations to seek Members' contribution in this respect.

ANNEX III



S/WPDR/27

27 November 2023

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ANNUAL REPORT OF THE WORKING PARTY ON DOMESTIC REGULATION TO THE COUNCIL FOR TRADE IN SERVICES (2023)

- 1. This report has been prepared pursuant to the Procedures for an Annual Overview of WTO Activities and for Reporting Under the WTO ($\underline{WT/L/105}$).
- 2. Since its 2022 annual report to the Council for Trade in Services¹, the Working Party on Domestic Regulation (WPDR) has not held any meetings.

 $^{^{1}}$ Annual Report of the Working Party on Domestic Regulation (2022), <u>S/WPDR/26</u>, dated 6 December 2022.

ANNEX IV



S/WPGR/34

27 November 2023

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ANNUAL REPORT OF THE WORKING PARTY ON GATS RULES TO THE COUNCIL FOR TRADE IN SERVICES (2023)

- 1. This report has been prepared pursuant to the Procedures for an Annual Overview of WTO Activities and for Reporting Under the WTO ($\underline{WT/L/105}$).
- 2. Since its 2022 annual report to the Council for Trade in Services¹, the Working Party on GATS Rules (WPGR) has not held any meetings.

 $^{^1}$ Annual Report of the Working Party on GATS Rules to the Council for Trade in Services (2022), contained in document $\underline{\text{S/WPGR/33}}$ dated 6 December 2022.