



## **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 Services<sup>1</sup>, the Committee on Trade in Financial Services held four formal meetings, on 7 December 2022, and 10 March, 15 June and 2 October 2023.<sup>2</sup>

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".<sup>3</sup> The proposal was later co-sponsored by Chile, China, New Zealand, the Philippines, the Republic of Korea and Ukraine.<sup>4</sup> 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.<sup>5</sup> 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 request made by Members at that meeting, the Chairperson subsequently circulated an informal note providing more details on his suggestion.<sup>6</sup> The Committee agreed to continue discussing this issue at the following meeting.

<sup>1</sup> Document [S/FIN/37](#), dated 7 December 2022.

<sup>2</sup> Reports of these meetings are contained in documents [S/FIN/M/96](#), [S/FIN/M/97](#), [S/FIN/M/98](#) and [S/FIN/M/99](#), and should be read in conjunction with this report.

<sup>3</sup> Document [JOB/SERV/CTFS/1](#), dated 3 October 2022.

<sup>4</sup> Document [JOB/SERV/CTFS/1/Rev.1](#), dated 19 December 2022, and [JOB/SERV/CTFS/1/Rev.2](#), dated 13 February 2023.

<sup>5</sup> 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](https://www.wto.org/english/tratop_e/serv_e/serv_1406202310_e/serv_1406202310_e.htm).

<sup>6</sup> Document [JOB/SERV/CTFS/7](#), dated 10 November 2023.

## **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.<sup>7</sup> The proposal was successively co-sponsored by the Philippines and South Africa.<sup>8</sup>

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.<sup>9</sup> 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.

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<sup>7</sup> Document [JOB/SERV/CTFS/2](#), dated 7 March 2023.

<sup>8</sup> Documents [JOB/SERV/CTFS/2/Rev.1](#), dated 14 June 2023, and Rev.2, dated 26 October 2023.

<sup>9</sup> Document [JOB/SERV/CTFS/2/Rev. 2](#), dated 26 October 2023.