

General overview of gats



1. General overview of GATS The General Agreement on Trade in Services

(GATS) is the first and only set of multilateral rules covering international trade in services. The definition of services trade under the GATS is four-pronged, depending on the territorial presence of the supplier and the consumer at the time of the transaction. The GATS covers services supplied

a. Cross border trade: from the territory of one Member into the territory of any other Member. . Consumption abroad: in the territory of one Member to the service consumer of any other Member. c. Commercial presence: by a service supplier of one Member, through commercial presence, in the territory of any other Member. d. Presence of natural persons: by a service supplier of one Member, through the presence of natural persons of a Member in the territory of any other Member. 2. Proposed benefits of GATS

There are six benefits of GATS, they are 1.

Economic performance, An efficient services infrastructure is a precondition for economic success, many governments rely on an open and transparent environment for the provision of services. 2. Development, World-class enterprises in developing countries have a greater advantage, and better do business. Developing countries also have able to build on foreign investment and expertise 3. Consumer savings, Globalization of trade in services allows consumers a wider choice of lower prices, better quality goods and services 4.

Faster innovation, The exchanges between the countries, information can promote technology innovation faster. 5. Greater transparency and predictability, Legally binding guarantee, allows companies in the international trade and investment in a stable condition. 6. Technology

transfer, encourage foreign direct investment (FDI) usually can bring new skills and techniques. 3. Major criticisms of GATS

Many civic groups said that most of the current economic restructuring under the WTO-OMC system is in the interest of big business, and not in the interest of the public. They are concerned that further deregulation of the service sector will lead to a widening of the gap between rich and poor, to further environmental deterioration, and human cost is low in poor areas. 4.

My opinion on GATS Overall, GATS met with some difficulties in the actual operation, and has created the problem of some criticism for people, but the trade agreements made ?? n indelible contribution to the development of international trade in the world. As long as the various countries, the company is in the future economic and trade constantly looking for better solutions to improve the existing mechanism, the world economy is definitely better services under the framework of GATS rapid development. http://www.wto.org/english/tratop_e/serv_e/cbt_course_e/intro1_e.htm http://www.wto.org/english/tratop_e/serv_e/gats_factfiction3_e.htm <http://www.twinside.org.sg>