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**Global Services Coalition call on the TiSA negotiators to intensify efforts toward a high ambition agreement**

The Global Services Coalition (GSC) speaks for the services sector in Coalition members' respective countries on matters of international trade and investment and represents the services sector internationally. Services, particularly digitally enabled services, lie at the heart of modern, competitive economies. Our members serve consumers and enterprise customers alike. In the latter case, they provide essential inputs to the global supply and value chains of enterprise customers. As a result, services not only account for a major percentage of GDP in developed economies but also a rapidly increasing share of GDP in developing economies as well. The GSC has a shared interest in the continuing liberalisation of trade and investment in services and in modernizing rules on services, which will benefit economic growth, job creation, the servicification of the manufacturing and agriculture sector, as well as consumer choice.

The GSC has followed closely the Trade in Services Agreement (TiSA) negotiations over eighteen rounds of talks. Good progress has been made in these negotiations, which are taking place against the background of the finalisation of the Trans Pacific Partnership (TPP) and of the Canada-EU Comprehensive Economic and Trade Agreement (CETA), and ongoing efforts to conclude the EU-US Transatlantic Trade & Investment Partnership (TTIP) and the Japan-EU Economic Partnership Agreement (EPA) by the end of this year.

As agreed in the G7 Ise-Shima Summit declaration on May 27th and OECD ministerial declaration on June 2<sup>nd</sup>, GSC supports completion of the TiSA negotiations by the end of the year if such

negotiations produce a high-standard agreement that includes strengthened services disciplines and yields new market access on a wide range of commercially meaningful sectors. Doing so would confer huge benefits in terms of strengthening global value chains and increasing trade, investment, jobs, and GDP, based on market-opening, national treatment of trade and investment, fair and transparent domestic practices, facilitation of cross border data flows and prohibition of data-localization, disciplines on state-owned enterprises, and regulatory cooperation. A Coalition delegation will be present in Geneva during the nineteenth round of TiSA talks to provide further insights into the views of the services industries, and to urge all TiSA participants to maintain a high level of momentum in improving market access offers and finalizing work on rules.

We believe this objective is achievable. But we also recognise that a major push will be needed to bring this about. Significant ground remains to be covered, notably in areas such as financial services and delivery services. There are also remaining divergences in the crucial areas of e-commerce, data-movement and data-localisation, telecommunications services. Progress also needs to be made on new services, movement of persons (Mode 4), and institutional questions. Negotiators should focus their work on finding solutions to these questions if the TiSA negotiations are to be brought to a satisfactory conclusion.

The GSC welcomes the submission of revised offers from the vast majority of TiSA participants, with the prospects of further revisions and improvements this third quarter of 2016. The touchstone for making and improving revised offers should be that they address the following mix of desirable features:

- Clearly “GATS plus” (i.e. significantly more market opening commitments and greater coverage than participants’ existing GATS schedules as baseline);
- An improvement on existing commitments in commercially valuable traded services;
- Based on best FTAs;
- Minimisation of “policy space” reservations as general exceptions provide ample leeway for legitimate, non-discriminatory policies;
- Quality of Mode 4 commitments;
- Ensure coverage of and create opportunities for new services;
- Removal of barriers at subnational level, with transparency for any that remain.

The GSC appreciates the opportunities provided by TiSA participating governments for consultation with services industries worldwide. We call on TiSA negotiators to continue to provide regular information on the progress of their negotiations at this key phase. For its part, the GSC will remain closely engaged in both supporting the momentum towards conclusion and building support for the negotiations in Coalition members’ respective countries.

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