



APSC Convenors Statement on the WTO Agreement on Services Domestic Regulation

Convenors of the Asia Pacific Services Coalition (APSC) laud the conclusion of the negotiations on the WTO Joint Statement Initiative (JSI) on Services Domestic Regulation as they call on more WTO members especially APEC economies to join the initiative.

APSC notes that this undertaking, currently joined by 67 WTO members accounting for more than 90% of world trade in services, is the first services agreement over the past twenty-five years. It is also the first WTO outcome document that explicitly provides for non-discrimination between male and female participants in the services sector. All this despite the postponement of the WTO 12th Ministerial Conference.

The Joint Initiative, according to a recent study by the OECD and WTO could mean global savings of USD150 billion per year in services trade costs. For fast growing, rapidly digitalizing business services alone, including the IT and business process outsourcing sector, APEC region trade costs are estimated to fall by USD20 billion. Transport services costs in the APEC region would fall by USD23 billion. Particularly for SMEs, trade costs would fall for SMEs by an additional 2-3 percentage points to a total of around an average 10% across all services sectors.

"These are not cost savings any business or any government can afford to ignore, especially the gains for smaller enterprises," said APSC co-convenor Jane Drake-Brockman, founder and director of the Australian Services Roundtable. "The benefits for MSMEs would be even larger, especially for computer services, telecoms and financial services; cuts of the magnitudes involved mean survival and post-pandemic recovery for these businesses."

The anticipated reduction in trade costs is a result of cutting inefficient red tape to ensure a clear, transparent and predictable domestic regulatory environment based on the principles established by the WTO JSI.

APSC co-convenor Patrick Chua, Lead Staffer of APEC Business Advisory Council (ABAC) Philippines stressed, "Greater regulatory transparency will better accommodate the evolving business models and governance landscape as the global economy does digital." The co-convenors, in a [joint opinion statement](#) following the conclusion of the negotiations in Geneva on December 2, consider that the adoption and implementation of the new GATS Reference Paper will ensure that regulatory regimes are fit-for-purpose as WTO members strengthen their economies, address the pandemic, and meet the challenge of digital transformation and environmental sustainability.

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Read Joint Opinion Statement here: <https://tiisa.org/brink/>

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Launched in Cebu, Philippines in 2015, the Asia Pacific Services Coalition (APSC) – composed of the major business organizations focused on services in the Asia Pacific region – agreed to develop closer cooperation and dialogue aimed at fostering growth and efficiency in the services sector.