



SECTION

1

**Good regulatory
practices to facilitate
trade in services**



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Conceptual basis and early trade activation

The concept of GRPs emerged during the late 1980s and early 1990s as part of broader public sector reform efforts aimed at improving the quality, efficiency, and accountability of domestic regulatory systems. This evolution occurred in parallel with the conclusion in 1994 of the Uruguay Round at the WTO but stemmed from distinct policy issues. Governments, particularly in member countries belonging to the OECD, sought to address growing concerns about regulatory complexity, rising compliance costs and declining public trust in administrative institutions.²⁶

As such, early GRP frameworks prioritized transparency, public consultation, evidence-based policy-making, proportionality and RIAs, with the goal of improving governance and economic efficiency, rather than facilitating trade per se.²⁷ International organizations, such as the OECD, the World Bank, and the APEC, played a key role in promoting these principles as part of broader competitiveness and good governance agendas.²⁸

It was only in the mid-1990s, particularly with the establishment of the WTO in 1995, that the relevance of domestic regulatory practices became more explicitly recognized across various trade areas. The GATS, as well as the WTO Agreement on Import Licensing Procedures, the Agreement on Technical Barriers to Trade (TBT Agreement) and the Agreement on Sanitary and Phytosanitary Measures (SPS Agreement), all incorporated core GRP principles. Among these, rules on transparency, regulatory predictability and the use of international standards gained early prominence.²⁹ This marked the “trade activation” of GRPs – extending their role beyond domestic reform to also reducing behind-the-border frictions in international trade.

Two of the earliest examples of integrating trade considerations into GRP instruments were the *OECD Guiding Principles for Regulatory Quality and Performance* and the *APEC-OECD Integrated Checklist on Regulatory Reform*, both published in 2005. Principle 6 of the *OECD Guiding Principles* calls on governments to better integrate market-openness considerations into the design and implementation of regulations and into RIAs, recognizing that, as trade and investment liberalization advances, domestic regulatory environments

increasingly determine market openness.³⁰ The *APEC-OECD Integrated Checklist* was developed in recognition that, beyond the liberalization of services sectors, “regulatory reform is a central element in the promotion of open and competitive markets, and a key driver of economic efficiency and consumer welfare.”³¹ Conceived as a voluntary self-assessment tool, it was designed to help governments evaluate the extent to which their laws, institutions and processes reflected the principles of high-quality regulation, effective competition policy and open markets. Through the *APEC-OECD Integrated Checklist*, governments sought regulatory tools that could unlock the economic gains of open and competitive markets while safeguarding legitimate public-interest objectives.

Building on this foundation, the *Recommendation on Regulatory Policy and Governance*, issued in 2012 by the OECD, codified the main GRP principles which included evidence-based impact assessment of measures to be developed, stakeholder engagement, review of existing laws and regulations (i.e. ex post review) and domestic inter-agency coordination. It also calls on governments to consider relevant international standards and frameworks when developing regulations, including (where appropriate) their likely effects beyond the jurisdiction, so that rules are coherent internationally. Together, these guidelines reframed high-quality regulation not only as a domestic governance issue but also as a key enabler of trade competitiveness, laying the conceptual groundwork for today's trade-oriented GRP agenda.

The term GRP does not appear in the GATS, nor in any other multilateral trade agreement that was established by the WTO in 1995. Yet core GRP principles – such as transparency, predictability, non-discrimination and the use of international standards – are embedded across several WTO legal texts. For example, regarding trade in goods, the General Agreement on Tariffs and Trade (GATT) establishes a foundational transparency obligation, requiring prompt publication of laws, regulations, judicial decisions and administrative rulings of general application.³²

The TBT Agreement goes even further with respect to transparency by requiring WTO members to notify proposed technical regulations and provide opportunities for comments on such proposals.³³ The TBT Agreement also promotes regulatory coherence and international alignment by encouraging the use of international standards, where such

standards are effective and appropriate.³⁴ Similarly, the SPS Agreement supports predictability by mandating that SPS measures be based on scientific principles and encourages harmonization with international standards.³⁵

The more recent Trade Facilitation Agreement (TFA) – which entered into force in 2017 – introduces core GRP obligations to support the smooth flow of goods across borders. These include the requirement that WTO members maintain enquiry points to answer questions from governments and traders, ensure that fees and charges for customs processing are published and limited in amount to the approximate cost of the services rendered, as well as establish single windows to enable operators to submit the relevant documentation.

In the area of trade in services, the principal focus of the GATS lies in the reduction or elimination, through progressive liberalization over time, of specific measures that act as barriers.³⁶ Specifically, these barriers were identified as (i) measures that alter competitive conditions for foreign services and service suppliers relative to domestic ones (Article XVII), and (ii) certain measures limiting market access, especially quantitative limitations such as quotas on market entry, value of assets or transactions, operations, or output, as well as foreign equity limits (Article XVI).

WTO members record their market-opening commitments, together with any remaining limitations, in schedules of specific commitments. These schedules are subject to successive negotiation rounds aimed at progressive liberalization.³⁷ At the same time, and in part to safeguard the economic gains from these commitments, the GATS also incorporates certain core GRP principles designed to ensure that domestic regulations, while serving legitimate policy objectives, do not create unnecessary barriers to trade.

Building on the GATT, one foundational GRP principle related to services is transparency. This principle is enshrined in GATS Article III:1, which requires WTO members to promptly publish all measures of general application that affect trade in services. In addition, Article III:4 makes the establishment of enquiry points mandatory, to respond to requests for information from other WTO members, and Article IV:2 requires developed-country WTO members to establish contact points to help service suppliers from developing economies access information on relevant market

conditions, recognition and qualification procedures, and available services-related technology. Furthermore, Article VI:2 requires WTO members to maintain mechanisms for prompt review and, where appropriate, the correction of administrative decisions, thereby supporting accountability and due process.

In sectors where specific commitments have been undertaken, the principle of predictability of administration is codified in GATS Article VI:1, which requires that measures of general application be administered in a reasonable, objective and impartial manner. GATS Article VI:3 also provides procedural guarantees for service suppliers seeking authorization, requiring timely decisions and transparency on the decision concerning the application and on its status. Moreover, Article VI:6 stipulates that WTO members must maintain adequate procedures to verify the competence of foreign professionals.

In addition to these obligations, GATS Article VI:4 provides a forward-looking mandate to develop disciplines to ensure that licensing and qualification requirements and procedures, and technical standards, do not constitute unnecessary barriers to trade in services. Such disciplines shall ensure that these requirements are based on objective and transparent criteria, are not more burdensome than necessary to ensure the quality of the service, and that procedures are not in themselves a restriction on the supply of services. A synthesis of the GRP principles as reflected in the GATS can be found in Figure 1.

Work on good regulatory practice for services in the WTO

Multilateral work under the GATS Article VI:4 mandate began with considerable ambition and some early achievements. As a first concrete step, WTO members adopted a set of disciplines for the accountancy sector in 1998, marking an initial success.³⁸ These disciplines reflected core GRPs – such as transparency, objectivity and predictability – and were intended to serve as a model for horizontal disciplines across all services sectors. In parallel, the 1997 guidelines for mutual recognition agreements in the accountancy sector were adopted to provide practical guidance for WTO members to implement Article VII of the GATS, thereby facilitating cross-border recognition of professional qualifications.³⁹

Figure 1: GRP principles as reflected in the GATS

ARTICLE III:1	Prompt publication of measures of general application (by entry into force at the latest) which pertain to or affect the operation of the GATS, as well as relevant international agreements.
ARTICLE III:4	Prompt response to requests for information by other WTO members and establishment of enquiry points to supply such information.
ARTICLE IV:2	Establishment of contact points to facilitate access to information for developing country WTO members' service suppliers.
ARTICLE VI:1	Administration of measures of general application affecting trade in services in a reasonable, objective and impartial manner.
ARTICLE VI:2	Maintenance of judicial, arbitral, or administrative tribunals or procedures for prompt, objective and impartial review and appropriate remedies for administrative decisions affecting trade in services.
ARTICLE VI:3	Where authorization is required: ▪ Provision of information of the decision concerning the application within a reasonable period of time; ▪ Provision of information concerning the status of the application, without undue delay.
ARTICLE VI:4	Mandate to develop disciplines to ensure that licensing and qualification requirements and procedures, and technical standards, do not constitute unnecessary barriers to trade in services.
ARTICLE VI:6	Provision of adequate procedures to verify the competence of professionals belonging to other WTO members.

Source: WTO/World Bank.

The Working Party on Domestic Regulation (WPDR) was established in 1999 with the objective of developing generally applicable disciplines on licensing, qualification, technical standards and, where appropriate, sector-specific disciplines. In its initial phase, the WPDR considered the extension of the 1998 accountancy disciplines to other professional services and began exploring elements that could apply horizontally across all services sectors. This dual approach evolved following the 2005 Hong Kong Ministerial Declaration, which directed WTO members to focus on the development of horizontal disciplines and aim for an agreed outcome by the end of the Doha Development Agenda (DDA).⁴⁰

Between 2006 and 2011, the WPDR saw substantial negotiating activity, with over 70 WTO members submitting text-based proposals. Draft disciplines addressed principles such as transparency, impartiality, the use of objective and pre-established criteria, and publication of laws and regulations. These discussions were captured in a series of draft negotiating texts,

most notably in 2009 and 2011.⁴¹ However, progress proved elusive, as it became clear that for many WTO members, agreement on domestic regulation was inextricably linked to market access negotiations, and by extension, to the broader conclusion of the DDA. As the latter reached stalemate by 2011, negotiations in the WPDR lost momentum.

Efforts to re-energize the process in the lead-up to the 11th Ministerial Conference in 2017 aimed to achieve a stand-alone outcome on domestic regulation disciplines, independent of other negotiating areas. While these efforts produced a consolidated text proposal supported by 55 WTO members⁴², they encountered strong opposition from several WTO members that expressed fundamental concerns about the necessity and implications of the proposed disciplines, particularly in relation to regulatory autonomy and development priorities. As a result, no consensus could be reached, and the multilateral negotiations under the WPDR were effectively stalled. As a result, the Article VI:4 mandate has not (yet) been fulfilled in a multilateral context.⁴³

The lack of a multilateral outcome led a coalition of like-minded WTO members to pursue a new and parallel path through the Joint Initiative on Services Domestic Regulation, launched in 2017.⁴⁴ In 2021, this Joint Initiative culminated in the adoption by over 60 WTO members of the SDR Disciplines.⁴⁵ In the Declaration announcing the conclusion of negotiations, the signatory WTO members set out the intention to incorporate the SDR Disciplines in their schedules of specific commitments following the Procedures for the Certification of Rectifications or Improvements to Schedules of Specific Commitments.⁴⁶

The WTO disciplines on services domestic regulation

Scope, coverage and modalities for application

The SDR Disciplines contain a dedicated section which recalls common understandings and sets out modalities and guidance for giving them legal effect.⁴⁷ They also include important provisions on development flexibility and support measures.⁴⁸

The SDR Disciplines explicitly recognize WTO members' right to regulate, including the right to introduce new regulations to achieve legitimate policy objectives.⁴⁹ They acknowledge the asymmetries in regulatory capacity, particularly between developed and developing or least-developed country (LDC) WTO members.⁵⁰ Furthermore, the SDR Disciplines neither impose any particular regulatory model nor reduce WTO members' existing GATS obligations.⁵¹

Specifically, it is made clear that WTO members that adopt the SDR Disciplines will incorporate them in their schedules of specific commitments as additional commitments under Article XVIII of the GATS.⁵² The SDR Disciplines therefore become part of the multilaterally applicable obligations of WTO members, and extend their benefits on a most-favoured-nation basis (MFN), including to those that have not adopted the SDR Disciplines.

The SDR Disciplines apply where specific commitments exist, which means that their application is conditioned on the pre-existence of market access and national treatment commitments in specific sectors.⁵³ As sector coverage among schedules of specific commitments is uneven, ranging from 1 to 147 with an average of 54 sectors, WTO members are encouraged to extend

the application of the SDR Disciplines to additional sectors.⁵⁴ To date, nine WTO members have listed new additional sectors to which they will apply the SDR Disciplines – including in business, postal and telecommunications, construction, distribution, environmental, and transport services.

While the SDR Disciplines recognize the existence of asymmetries in regulatory development across WTO members – particularly between developed, developing and LDC members⁵⁵ – its approach to special and differential treatment differs notably from the model used in the TFA.

Unlike the TFA, which allow developing and LDC WTO members to self-designate provisions into categories A, B, or C based on readiness and capacity-building needs, the SDR Disciplines adopt a more streamlined and targeted approach. The main flexibility mechanisms are as follows:

- Transitional periods of up to seven years, which developing country WTO members may designate for specific provisions and sectors⁵⁶;
- Deferred application of the SDR Disciplines for LDC WTO members, together with any transitional periods that they designate at the moment of integration into schedules of specific commitments⁵⁷;
- Encouragement for technical assistance and capacity building, particularly to strengthen regulatory institutions, enhance service suppliers' compliance with foreign requirements and procedures, and support participation in international standard-setting processes.⁵⁸

Key features

The SDR Disciplines apply to measures relating to licensing requirements and procedures, qualification requirements and procedures, and technical standards affecting trade in services. Most individual Disciplines are framed such that they apply in the context of authorization, i.e. where a WTO member requires authorization for the supply of a service. "Authorization" is defined as the "permission to supply a service resulting from a procedure to which an applicant must adhere in order to demonstrate compliance with licensing requirements, qualification requirements, or technical standards".⁵⁹ Only few Disciplines are not expressly linked to authorization, namely those related to enquiry points⁶⁰, opportunity to comment⁶¹, or technical standards.⁶²

Importantly, negotiators took care not to interfere with the right of WTO members to determine authorization requirements and criteria that they consider necessary for the attainment of domestic policy objectives.

The substantive provisions of the SDR Disciplines are designed for horizontal application across all services sectors and do not address regulatory issues that are specific to individual sectors. They can be grouped under the following regulatory principles (for an overview, see Figure 2). They are addressed in more detail under each relevant GRP in Section II of this Handbook:

TRANSPARENCY

One central aim of the SDR Disciplines is to improve the transparency of authorization procedures, thereby reducing the costs of information asymmetries for service suppliers. This is achieved through several interrelated obligations:

- **Publication of information:** Publication and public availability of all relevant information required by service suppliers to comply with authorization procedures. This includes descriptions of procedures, applicable fees, contact points for competent authorities, relevant technical standards and opportunities for stakeholder engagement – including through a single online information portal.
- **Stakeholder engagement:** Promotion of the publication of proposed new measures in advance; provision for reasonable opportunities to comment from interested parties and consideration of such comments before finalizing laws and regulations.
- **Reasonable time for compliance:** Provision of a reasonable interval between the publication of new laws and regulations and the date of required compliance by service suppliers.
- **Enquiry points:** Establishment of appropriate mechanisms for responding to requests for information from service suppliers.

LEGAL CERTAINTY AND PREDICTABILITY

Another key objective of the SDR Disciplines is to ensure that authorization procedures are conducted in a manner that provides clarity and fairness to applicants.

- **Application processing:** Guarantee that competent authorities provide indicative time frames for processing applications, allow applicants to correct

minor deficiencies, advise the reasons for rejection of an application and permit resubmission.

- **Assessment of qualifications:** Provision of reasonably frequent intervals for examination of professionals. Acceptance of electronic submissions and consideration of digital means for taking exams.

REGULATORY QUALITY AND FACILITATION

Several provisions of the SDR Disciplines seek to ensure the quality of regulation and to facilitate services trade.

- **Digitalization of procedures:** Acceptance of electronic applications and authenticated copies of documents.
- **Authorization fees:** Fees charged for authorization procedures are to be reasonable and transparent, not a restriction on the supply of a service.
- **Impartiality and independence:** Impartiality of authorization procedures and independence of regulatory decisions from services suppliers.
- **Technical standards:** Open and transparent processes for the development of technical standards.

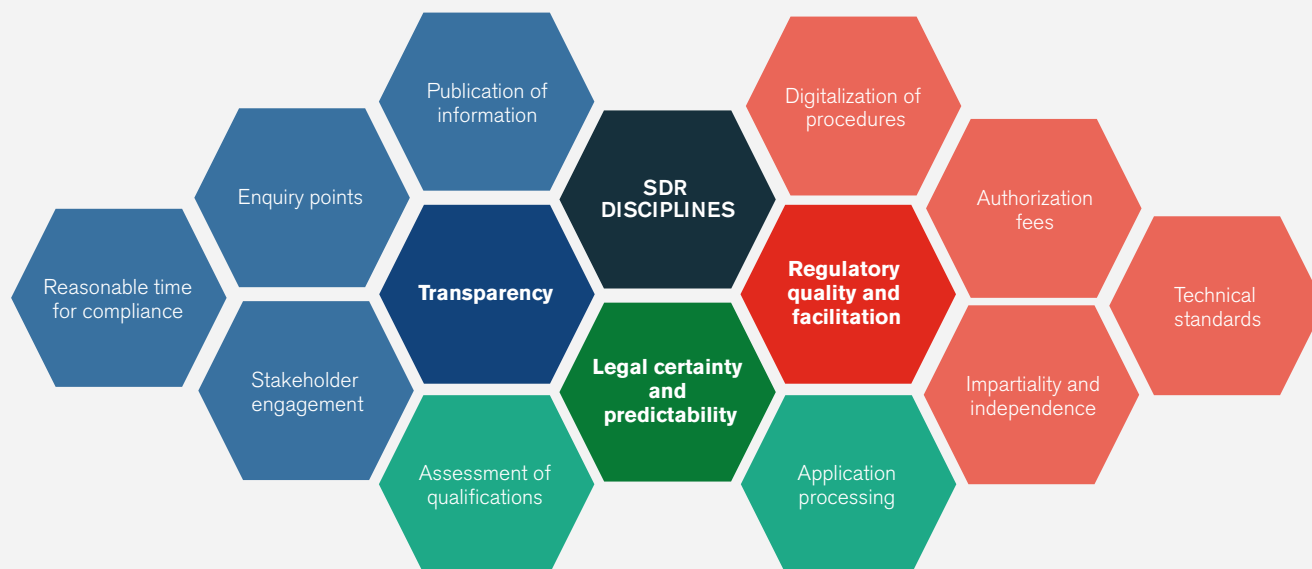
NON-DISCRIMINATION ON THE BASIS OF GENDER

A notable innovation in the SDR Disciplines is the gender non-discrimination provision.⁶³ It obliges WTO members that choose to implement the SDR Disciplines to ensure that measures relating to authorization do not discriminate between men and women. A clarifying footnote provides that differential treatment that is reasonable, objective and serves a legitimate aim, as well as temporary special measures to accelerate *de facto* equality, shall not be considered discrimination.

This is the first time a legally binding WTO outcome includes a provision aimed at promoting gender equality and the participation of women in trade. While WTO members have the option to opt out of this provision, at the time of writing, none has chosen to do so.⁶⁴

ALTERNATIVE SDR DISCIPLINES FOR FINANCIAL SERVICES

Given the technical and sensitive nature of financial services, the SDR Disciplines include an alternative set of rules (Alternative SDR Disciplines) that WTO members may adopt for their commitments on financial

Figure 2: Overview of SDR Disciplines

Source: WTO/World Bank.

services instead of the horizontal disciplines.⁶⁵ The Alternative SDR Disciplines retain the core procedural guarantees contained in the horizontal Disciplines with regard to application processing, electronic submissions, transparency, opportunities to comment, enquiry points, independence, assessment of qualifications, as well as the general criteria for developing authorization-related measures. However, the Alternative SDR Disciplines contain several limited but material differences:

- i. Their scope and definitions omit technical standards;
- ii. They exclude the paragraphs on “Submission of Applications” and “Recognition”;
- iii. They soften the obligation on authorization by requiring the publication of fee schedules or methodologies rather than requiring that fees are reasonable and not in themselves a restriction to the supply of services;
- iv. They trim certain publication-related obligations (e.g. no obligation to publish fees, technical standards, or indicative time frames).

The majority of WTO members that have adopted the SDR Disciplines have opted to apply the Alternative SDR Disciplines to the financial services subsectors committed in their schedules of specific commitments.

Accommodating diversity in regulatory capacity for implementation

In addition to the specific flexibilities available to developing country and LDC WTO members, the SDR Disciplines are drafted to provide a high degree of flexibility for domestic implementation.

This approach reflects the need to account for the wide variation in regulatory capacity – not only across jurisdictions but also in various sectors – as well as differences in legal systems and administrative practices. These flexibilities are particularly important for developing economies, as they enable them to implement the GRPs embodied in the SDR Disciplines in a manner that is practicable and compatible with their domestic contexts.

The SDR Disciplines impose obligations with varying degrees of stringency. Only 10 obligations contain unqualified commitments, expressed through “shall”, namely those on providing information on status and decision of applications⁶⁶; entry into force of granted authorization without undue delay⁶⁷; authorization fees⁶⁸; assessment of qualifications⁶⁹; independence⁷⁰; publication and information available⁷¹; enquiry points⁷²; and development of measures.⁷³

The use of the word “shall” signals that these are legally binding obligations. The stringency of these obligations, however, also depends on other elements in the SDR Disciplines that may preserve some flexibility for the authorities concerned. For example, while competent authorities shall ensure that authorization, once granted, takes effect without “undue delay”, what constitutes undue delay is in practice highly dependent on the individual circumstances within a situation.⁷⁴

In another 13 obligations, the term “shall” is qualified by the phrase “to the extent practicable”, introducing additional flexibility. This is the case for obligations on submission of applications⁷⁵; application time frames⁷⁶; several aspects of processing applications⁷⁷; opportunity to comment (advance publication, comment period, consideration of comments)⁷⁸; and the time between publication and compliance.⁷⁹ The phrase “to the extent practicable” plays a critical interpretative role. While WTO members are expected to comply with these obligations, they are granted some flexibility in situations where full implementation is not feasible due to existing practical constraints. Relevant factors in assessing practicability may include administrative resources; technical capacity and infrastructure; time constraints linked to domestic legal or legislative processes; the existence of competing regulatory priorities; as well as in case of an emergency, such as a natural catastrophe or a pandemic.

Several other flexibility permutations exist: WTO members or their competent authorities, for instance, “should” not prevent an applicant from submitting another application solely on the basis that an application has been previously rejected⁸⁰; “shall, to the extent practicable, endeavour” to provide time between publication of and compliance with a law or regulation⁸¹; “endeavour” to accept applications in electronic format⁸²; “should consider” supporting dialogues of professional bodies where requested and appropriate⁸³; and are “encouraged to consider, to the extent practicable” the use of electronic means in other aspects of examination processes.⁸⁴

These diverse flexibilities are also featured in other WTO agreements. For example, in the TFA, WTO members “shall, to the extent practicable” provide advance publication and opportunities to comment on proposed laws and regulations (Article 2). Similarly, in the TBT Agreement, WTO members shall, “wherever practicable”, formulate and adopt international systems for conformity assessment and become members thereof or participate

therein (Article 9.1). These usages indicate that WTO members are expected to make genuine efforts to establish practicability, while allowing consideration of specific situations and domestic systems.

GRPs: Beyond the WTO disciplines on services domestic regulation

While the SDR Disciplines constitute a negotiated compromise reached among a subset of WTO members, other international forums – both intergovernmental and non-governmental – have also developed and articulated GRPs, typically focusing on governance quality and the overall business climate across sectors (for an overview, see Figure 3). These GRPs are relevant also for services trade. Reflecting broad convergence on practices that support well-functioning, continuously improving regulatory frameworks, Section II of this Handbook discusses the following additional GRPs:

- **Single window mechanisms:** Portals which can generally serve as information gateways to facilitate access to and dissemination of information, as well as entry points enabling users to submit applications and request different services from the government.⁸⁵
- **Regulatory impact assessment:** Procedures used to assess the effects of regulatory interventions and ensure that measures taken are adequate and designed to achieve their objectives in the most effective and efficient manner.⁸⁶
- **Inter-agency coordination:** Practices that entail systematic collaboration and dialogue among various competent authorities with a view to ensuring the smooth and continuous transfer of relevant information and knowledge.
- **International cooperation:** Procedures or organizational arrangements, formal or informal, between governments to promote cooperation in various areas, including the design, monitoring, enforcement, or *ex post* management of regulations.⁸⁷

GRPs in preferential trade agreements

Over the past two decades, PTAs have become the principal laboratory for testing and progressively deepening regulatory commitments beyond market opening. Besides a promise to incorporate any future multilateral rules developed under GATS

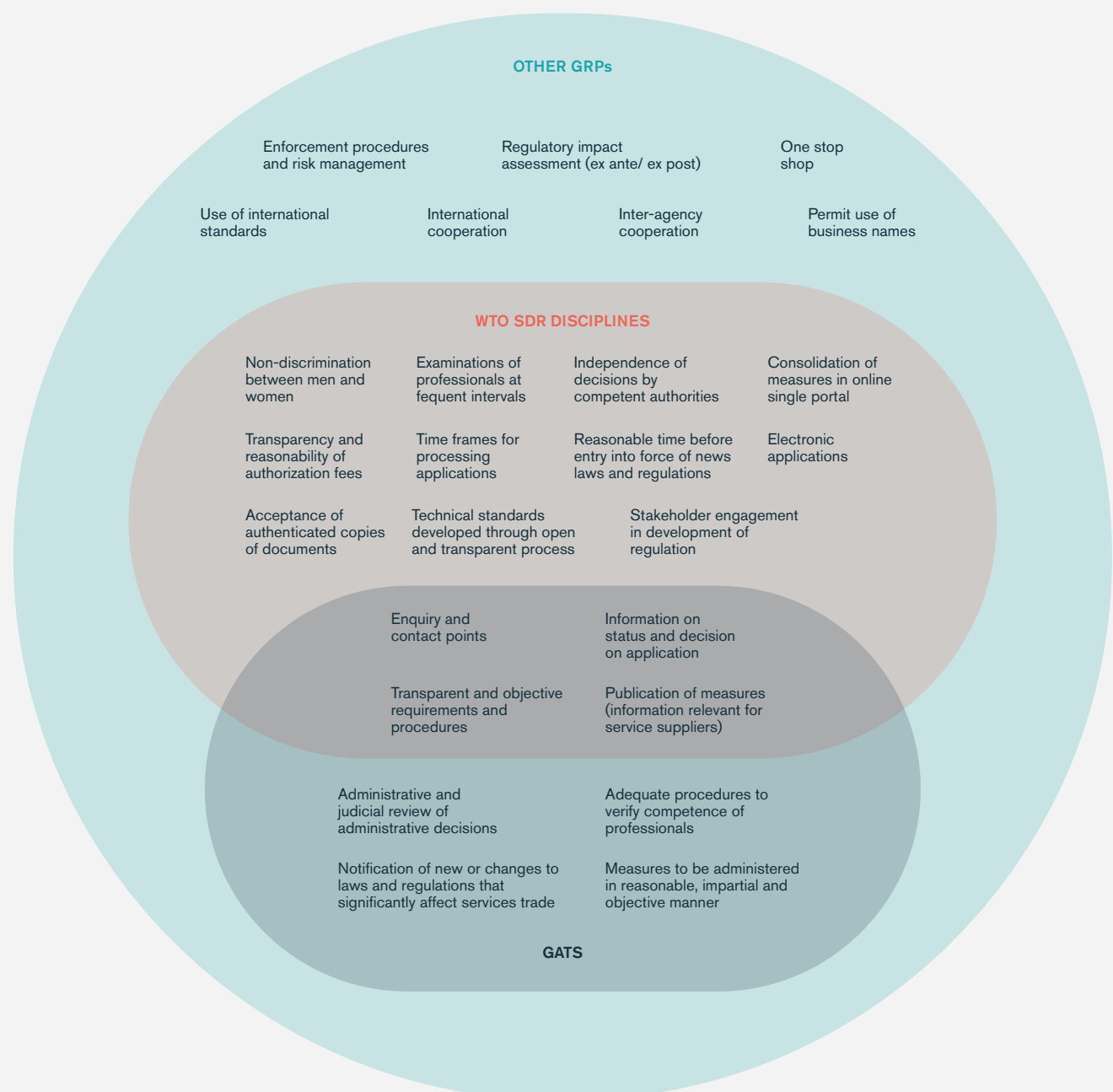
Article VI:4, the earliest generation of agreements (in the late 1990s) were often limited to reproducing or cross-referencing GATS obligations on transparency and predictability of authorization procedures.

Regulatory obligations were therefore dominated by basic GRP clauses, such as publication of laws, the designation of enquiry points for addressing questions by other governments, as well as a generic commitment

to administering procedures in a reasonable, objective and impartial manner.

The architecture began to change in the 2000s, particularly as negotiations in the WPDR started gaining momentum. Inspired by draft texts circulating among WTO members, negotiators started to craft “GATS-plus” GRP obligations in PTAs, notably with respect to advance publication of measures and stakeholder engagement.

Figure 3: GRPs beyond the GATS and the SDR Disciplines



Various agreements signed by the United States (with, for example, Australia, Chile, Republic of Korea), the Hong Kong, China-New Zealand CEPA (2011), the EU-Republic of Korea FTA (2011), and the Australia–Malaysia FTA (2012) were early agreements that introduced indicative processing time frames, the right to correct minor defects in an application, and the option to submit documents electronically.

Recent research by the WTO Secretariat shows that, while by 2008 barely 60 WTO members had taken on even one of these new-style obligations, by 2025, 115 WTO members had included at least one of these provisions in a PTA, and roughly 40 per cent had taken on half or more of the obligations that eventually formed the backbone of the eventual SDR Disciplines (for more information on this analysis, see Box 1).

More recently, a clear pattern has emerged across mega-regional and bilateral trade agreements: disciplines on GRPs for services trade are now organized in two or three layers that build on one another. Most agreements include a horizontal transparency or GRP chapter (e.g. USMCA Chapter 28 or CPTPP Chapter 25). Such chapters often cover

issues related to the publication of laws and regulations, including in advance as drafts, possibility for comments by stakeholders, and time frames before entry into force of new measures.

These agreements then typically add a chapter on trade in services that goes beyond the GATS and closely tracks the SDR Disciplines. Finally, some agreements round out the package with sector-specific annexes for finance, telecommunications and professional services which adapt and expand these GRP principles to the needs identified for specific sectors. Where an agreement – such as the RCEP – lacks a stand-alone chapter on transparency/GRP, the basic transparency obligations are folded into the services chapter itself, yielding a two-layer structure. Whether configured in two tiers (RCEP) or the fuller three tiers (CPTPP, USMCA), this stacked architecture has become the prevailing template for embedding GRPs in modern PTAs.

The research found that 80 per cent of agreements that involve a middle-income partner contain “GATS-plus” disciplines applicable across services sectors, whereas low-income economies appear in only a couple of such deals (Baiker, Bertola and Jelitto, 2021).⁸⁸

Box 1: WTO research on the prevalence of GRP obligations in preferential trade agreements

Analysis by the WTO Secretariat on the prevalence of GRPs in services PTAs covers a representative sample of 84 trade agreements, concluded by 153 WTO members, including many in the last 20 years.

It examines chapters on trade in services and horizontal chapters on transparency and other regulatory matters. Conversely, it does not analyse GRP-related provisions included in stand-alone chapters on specific services sectors, such as financial or telecommunications services, professional services, rules on e-commerce, or on the movement of natural persons.

In terms of scope, the analysis covers 25 different GRP aspects reflected in the SDR Disciplines, with the only exception being the Discipline on non-discrimination between men and women, for which a comparator could not be found in PTAs. Other GRP-related obligations beyond the scope of the SDR Disciplines, including on RIAs, inter-agency coordination, international cooperation and use of international standards, are not part of this analysis.

In assessing the prevalence of the different types of GRP obligations, the analysis focuses on whether the substantive core of any given provision is present in a specific agreement. In addition, to assess their legal nature, obligations are classified as either hard obligations (e.g. “shall”) or flexible obligations (e.g. “should”, “to the extent practicable”, “shall endeavour”).

For information about the methodology of this analysis, please refer to the [WTO Staff Working Paper: “Services Domestic Regulation – Locking-in Good Regulatory Practices: Analyzing the Prevalence of SDR Disciplines and Their Potential Linkages with Economic Performance”](#).

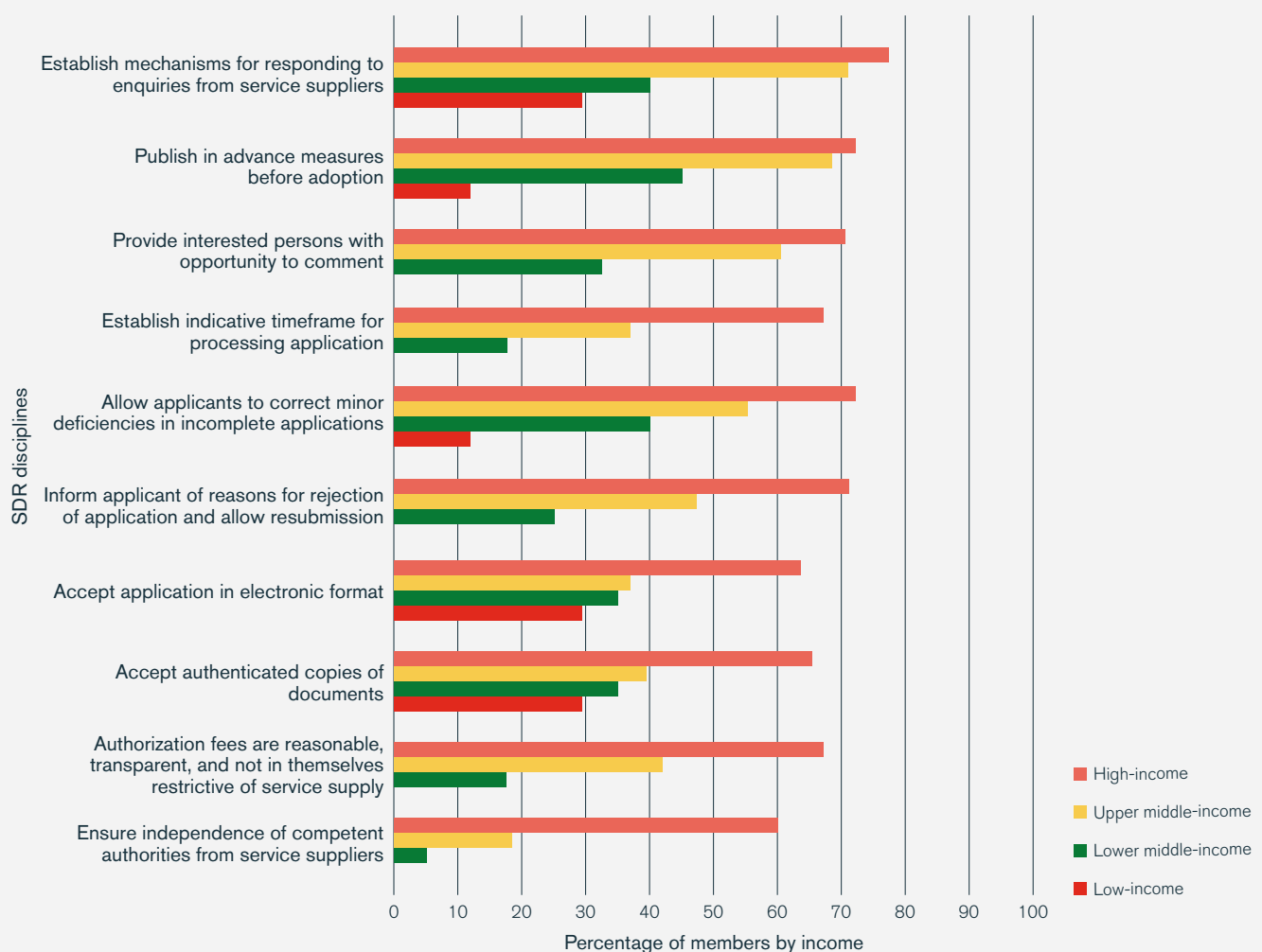
Obligations regarding transparency of regulatory frameworks and predictability of authorization procedures are across income groups (around 72 per cent of the high-income group, 55 per cent of the upper-middle income group and around 28 per cent of the lower-middle-income group have adopted at least half of these types of obligations). In contrast, the level of inclusion of regulatory quality and facilitation obligations varies greatly among income groups – from 64 per cent of high-income economies to 15 per cent of lower-middle-income economies (Figure 4).

Across regions, economies from all regions have included GRP-related commitments into their PTAs – East Asia and the Pacific, Europe and Central

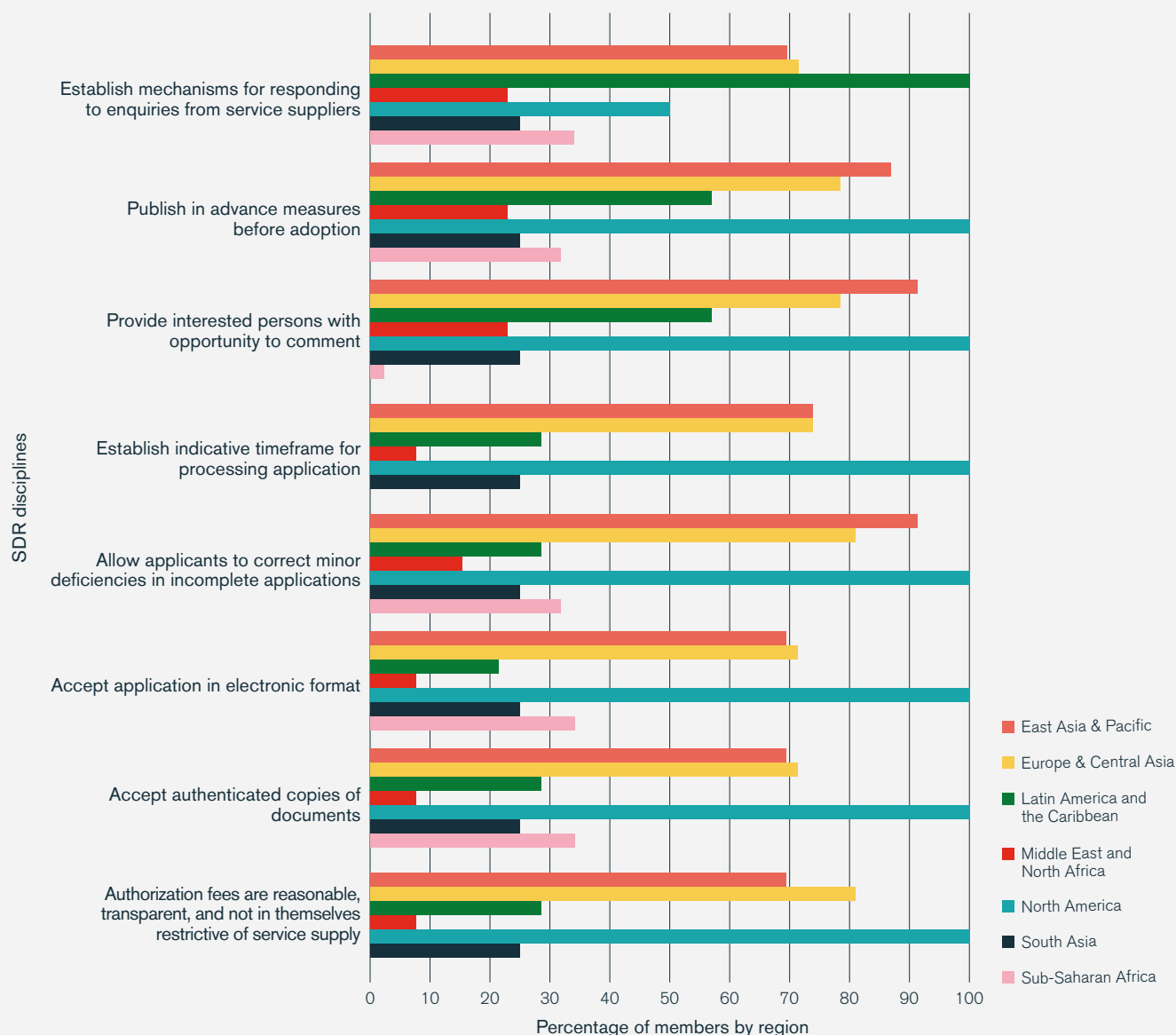
Asia, and North America having done so to a larger extent, where between 70 and 100 per cent of WTO members in these regions have adopted at least half of the provisions in their PTAs (Figure 5). Overall, about 35 per cent of the provisions in the PTAs use flexible language (e.g. “shall endeavour”, “where practicable”) or are excluded from dispute settlement. The remainder – especially those dealing with publication, enquiry points and the obligation to give reasons for a negative decision – are fully enforceable under the terms of the respective PTAs.⁸⁹

In sum, current PTA practice shows that core GRP commitments have moved from being optional and ambitious add-ons to core pillars of services trade governance, advancing predictability and inclusiveness in

Figure 4: Prevalence of GRPs in PTAs, by income groups



Source: WTO/World Bank.

Figure 5: Prevalence of GRPs in PTAs, by regional groups

Source: WTO/World Bank.

markets worldwide. When multilateral WTO negotiations on domestic regulations progressed slowly and eventually stalled, PTAs provided a dynamic laboratory for seeding and fine-tuning GRPs relevant to services trade, progressively codifying practices that anticipate and complement the SDR Disciplines developed at the WTO – including with respect to processing timelines, electronic filing of applications and fee requirements.

The incorporation of GRP provisions in line with the SDR Disciplines also extends to WTO members that have not committed to adopt the SDR Disciplines

in their schedules of specific commitments, notably among Asian economies. Overall, while GRP-related obligations in PTAs can serve to progressively reconcile regulatory differences and secure effective access to services markets among trading partners, they can also serve as a reference point for the design of domestic regulatory reforms with a view to signaling the existence of a stable and conducive regulatory environment to foreign service suppliers.⁹⁰

Economic benefits from implementing GRPs for services trade

Long-standing analytical work has established that regulatory inefficiencies impose a measurable drag on economic activity. Early case studies⁹¹ consistently document reforms where a single technical change (e.g. replacing paper forms with an online module) produces multimillion dollar savings for businesses or public agencies in the first year alone (OECD, 2003) (for more information on the implementation of GRPs in domestic regulatory frameworks, see Box 2).

Early trade cost work found that the costs of services trade are two to three times as high (in *ad valorem* terms⁹²) as the trade costs of goods.⁹³ The 2017 OECD *International Regulatory Co-operation and Trade* study was the first comprehensive attempt to quantify the impact on cross-border economic activity.⁹⁴ Drawing on gravity models (which provide an estimate of the volume of flows of services), case studies and detailed sector analysis, it concluded that divergent or opaque regulations can raise trade costs by the equivalent of 5–30 percentage-point *ad valorem* tariffs, depending on the sector and the nature of the regulatory hurdle. The

study highlighted that economies in which GRPs such as public consultations, impact assessments, prompt publication of draft measures and regular reviews of existing measures were systematically employed, were more successful in keeping these costs down.

Despite continuous reductions in services trade costs over the past 30 years, the costs of cross-border services trade remain on average a third higher than trade costs for manufactured goods.⁹⁵ Trading services internationally cost on average roughly 5.5 times that of domestic trade costs (compared to 4.1 in manufacturing and 6.0 in agriculture). Within services, costs vary: transport and distribution are closer to manufacturing levels, while digitally deliverable services saw a 14 per cent cost decline (1996–2018) and now sit below agriculture.⁹⁶ The burden appears heaviest for SMEs and for women-owned businesses: for them, opaque licensing requirements and duplicative procedures tend to raise trade costs disproportionately, limiting their effective access to foreign markets.⁹⁷ Analysis by the WTO Secretariat provides a more granular breakdown of the costs of cross-border services trade, showing that trade policy, regulatory differences and governance quality account for one quarter of these costs.⁹⁸

Box 2: The WTO-World Bank Services Trade Policy Database – data on GRP implementation

The WTO-World Bank STPD provides an opportunity to gather and compare information on current services trade policies across economies and sectors. The information can be used to identify areas for potential domestic reforms, and support trade in services negotiations and discussions.

The database currently contains information for 138 economies from all regions of the world. It covers 34 core subsectors, which account approximately for two thirds of the services economy (e.g. business, professional, computer, communication, construction, distribution, financial, health, tourism and transport services).

Beyond issues related to market access and national treatment, the database also tracks the implementation of GRPs in domestic laws and regulations. It studies more than 20 different types of GRP elements, ranging from processing of authorization applications and publication of information, to the right to request review of decisions, independence of regulators, and stakeholder engagement.

For more information, see the I-TIP Services website (itip-services-worldbank.wto.org).

The next analytical step undertaken was to translate procedural reform into potential trade cost savings. Three separate exercises conducted in 2021 arrived at broadly similar estimates. A WTO-OECD *Joint Trade Policy Brief* projected that universal adoption of the SDR Disciplines by all WTO members would lower global services trade costs by about 6 per cent and save businesses close to US\$ 150 billion annually, with finance, professional services, telecommunications and transport capturing the largest absolute gains.⁹⁹ A parallel OECD *Trade Policy Brief* for APEC economies reached a similar conclusion at regional level, estimating average trade-cost reductions of 7 per cent within three to five years once SDR-type rules become operational.¹⁰⁰ Sectoral analysis indicated that commercial banking could see cost reductions of up to 22 per cent, underscoring how heavily regulated core sectors are particularly sensitive to procedural streamlining.

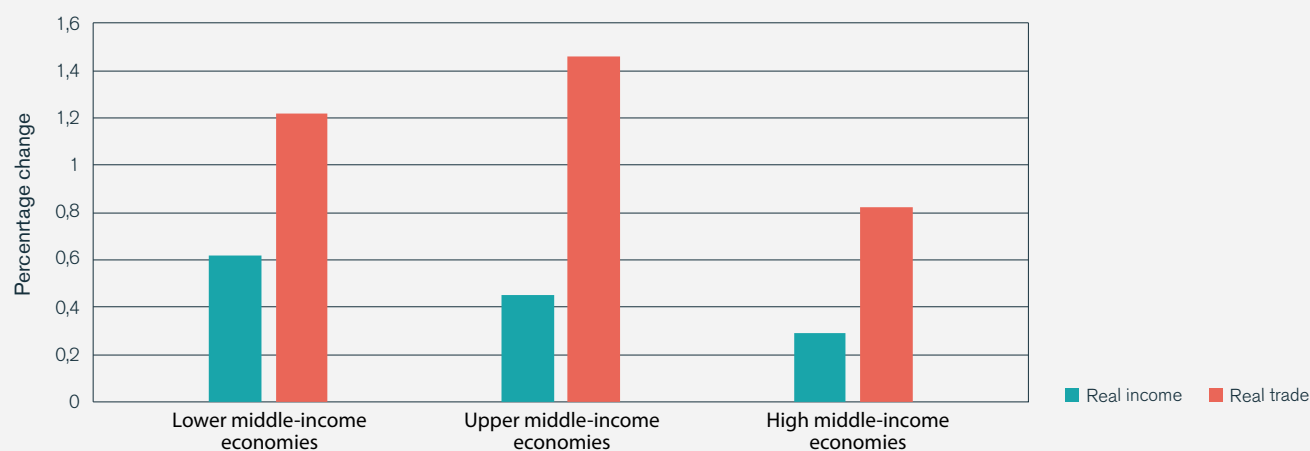
Bekkers and So assessed the trade and economic impact of full implementation of the SDR Disciplines by those WTO members that had incorporated them in their schedules of specific commitments (Figure 6).¹⁰¹ Using a structural gravity model, they first estimated the effects of the SDR implementation index on bilateral services trade.¹⁰² These estimates were then converted into an ad valorem-equivalent change in trade costs that would be obtained from

full implementation and then a model to estimate the broader economic implications of the SDR Disciplines was applied.

Their results suggest that full implementation would cut services trade costs by 8–14 per cent, with the sharpest average cuts for lower-middle income economies (-10 per cent) and upper-middle income economies (-14 per cent). These cost savings would deliver a 0.3 per cent rise in global real income ($\approx$ US\$ 301 billion) and a 0.8 per cent expansion of world exports ($\approx$ US\$ 206 billion). The distribution of these gains differs by income group, with lower-middle income economies seeing the largest proportional gain in economic well-being (+0.6 per cent real income), while upper-middle income economies experience the largest increase in trade (+1.5 per cent exports). Over an implementation period of 10 years, annual trade cost savings would amount to roughly US\$ 127 billion. This figure aligns closely with the OECD's earlier static projections but now also accounts for dynamic spillovers across sectors and regions.

Bekkers and So further found that the implementation of the SDR Disciplines will have positive effects for all economies: real incomes are projected to grow even for those that are at present not committed to implementing them. This is because, since GRPs are applied non-discriminatorily, service suppliers

Figure 6: Projected per cent change in macroeconomic aggregates, by income groups



Note: the figure displays the per cent change in real income and real exports projected for 2032 for WTO members that have adopted the SDR Disciplines in different income groups, calculated as the value-weighted average of regional results using the baseline values of GDP and the value of exports (FOB) in 2022. GDP per capita of the regions in the simulations are employed with the income brackets from the World Bank for 2022.

Source: Simulations by the authors using the WTO Global Trade Model.

will also benefit when these rules are implemented in their trading partners' markets. However, exports are expected to progressively shift to implementing economies' markets, while remaining stagnant for other economies.

If all WTO members implemented the SDR Disciplines, large consumer welfare and trade increases are projected, especially for developing economies. It should be noted that, due to constraints in data availability, the projections by the OECD and Bekkers and So are based on services trade measured under the balance of payments framework which has a narrower set of definitions than those from the WTO and does not take account services traded through commercial presence (Mode 3). As the latter is estimated to account for over 60 per cent of world services trade and is the dominant mode in all sectors (except transport services), the projections are likely to underestimate the positive effects arising from implementation of the SDR Disciplines.¹⁰³

Empirical correlations further reinforce the link between procedural quality and economic performance (Box 3). Baiker, Bertola and Jelitto constructed an SDR implementation score for 151 economies based on the existence of SDR Disciplines in PTAs.¹⁰⁴ Higher scores were systematically linked to larger services value-added shares in GDP, a stronger focus on

services in exports, higher levels of entrepreneurship and deeper integration into GVCs. The latter finding is echoed by Gillson, Molinuevo and Sáez who noted that streamlined regulatory processes (including single windows and electronic applications) can substantially reduce trade costs and enhance firms' ability to participate in GVCs.¹⁰⁵

Additional research indicates that implementation of the SDR Disciplines is positively associated with the level of financial inclusion measured by bank account ownership.¹⁰⁶ GRPs can foster an environment for financial inclusion by promoting competition and innovation among services suppliers. It can, for instance, increase the availability of banking services to individuals in remote or underserved areas and foster the development of innovative products, such as mobile banking and other digital solutions, which can facilitate access to banking services. Furthermore, clear and reliable regulations can enhance entrepreneurs' access to finance as, where the overall quality of the regulatory system is higher, financial institutions tend to have greater confidence in extending loans to start-ups, thereby contributing to a reduction in the overall cost of borrowing for these businesses (see also Box 4).

Taken in combination, these strands of research offer a consistent, data driven account of how regulatory frameworks affect economic outcomes. Domestic

Box 3: Implementing GRPs in domestic regulatory frameworks – Key reasons why

Trade cost reductions:

- 10 per cent for lower middle-income economies
- 14 per cent for upper middle-income economies
- Global savings in the range of US\$ 127 to 150 billion

Improvements in economic performance:

- Real income is expected to increase by at least 0.3 per cent (or US\$ 301 billion)
- Global exports are projected to rise by at least 0.8 per cent (or US\$ 206 billion)

Other potential economic benefits:

- More active engagement in international services trade
- Broad reductions in input prices across services sectors
- Higher level of financial inclusion
- Stronger participation in GVCs

regulations that are ambiguous, insufficiently transparent or administered without clear deadlines translate into higher compliance costs, longer project lead times and greater uncertainty. Evidence shows that these frictions are especially pronounced in services, where intangible outputs, regulatory licensing and face-to-face elements make market access particularly sensitive to procedural barriers. The literature reviewed converges on two key facts. First, services continue to face a sizeable cost premium relative to goods, and at least one quarter of that premium stems directly from regulatory-related factors. Second, adopting a coherent package of GRPs can cut these governance-driven costs by mid-single digit percentages, yielding annual savings well in excess of US\$ 100 billion worldwide.

These findings place regulatory reform at the centre of current trade and investment policy debates. Unlike sector-specific market opening, implementation of GRPs tends to operate horizontally, reducing uncertainty across the entire economy while preserving governments' substantive policy objectives. The empirical record suggests that such reforms are not only already happening but are also practically improving the business climate – both for foreign parties as well as domestic businesses that seek to enhance their competitiveness and deepen their participation in GVCs. To sum up, the accumulated evidence shows that transparent and predictable regulatory processes are not merely administrative formalities, but key instruments for reducing the cost of participating in the global economy.

Box 4: Making artificial intelligence work in implementing good regulatory practices in services trade: opportunities, risks, and safeguards

Artificial intelligence (AI) – from rules-based engines to modern machine-learning and large language models (LLMs) – can support both sides of GRPs in the area of services: it can help services businesses find and meet regulatory requirements, and it can help governments design, implement and enforce clearer, more predictable and efficient procedures.

Recent WTO analysis finds that AI can streamline compliance and logistics, improve search and matching and enable automatic verification of documentation – effects that lower trade costs – while also warning that fragmented governance and data regimes risk raising them. These findings align with GRP goals of transparency and predictability.¹⁰⁷ The OECD Regulatory Policy Outlook 2025 shows how AI supports regulatory analysis and public consultation – monitoring regulatory changes, automating routine checks, and even helping process public comments, provided systems are evaluated over time and bias is managed.¹⁰⁸

Reducing information and compliance costs for services firms

Service suppliers incur significant information and compliance costs locating rules, interpreting them and assembling correct documentation. A joint survey conducted in 2025 by the WTO and the International Chamber of Commerce (ICC), shows that companies already using AI for trade do so to gather market intelligence, ensure regulatory compliance and overcome language barriers.¹⁰⁹ Businesses see the greatest opportunities in the use of AI in enhancing trade efficiency (e.g. faster processing, validating submissions up-front, etc.), reducing trade costs, facilitating market expansion (finding new customers/suppliers), and improving data-driven decisions. These anticipated gains mirror what services businesses need most from the regulatory environment: clearer information at the point of need, predictable steps and timelines, and proportionate effort for low-risk cases.

Speeding up authorizations and approvals

While services businesses can use AI to ease their procedural burden, governments can use it to operationalize GRPs – identifying the right requirements and procedures, and routing clean applications through faster lanes. AI can streamline authorization processes by identifying duplications or outdated requirements and procedures. AI is already improving authorization timelines across border and behind-the-border processes that impact services trade – from logistics and express delivery to professional certifications linked to service provision.

Box 4: Making artificial intelligence work in implementing good regulatory practices in services trade: opportunities, risks, and safeguards (continued)**Improving transparency and participation**

AI can support regulatory transparency in several ways: first, it can convert dense rulebook content into plain language and concise information, support automatic translations in multiple languages, keep enquiry-point guidance consistent, and triage queries 24/7 via virtual assistants. The OECD documents how governments are deploying whole-of-government assistants while stressing the need to evaluate performance and mitigate bias.¹¹⁰ The OECD reports that AI can be deployed to augment the preparation and conduct of impact assessments and public consultation processes: Various tool, such as the LLMs, can scan legislation, prior to RIAs, evaluation studies and case law, to assemble the baseline for the assessment, and compare options and international benchmarks far faster-than-manual desk research.

These tools can also flag similar measures in other jurisdictions and extract parameters for cost–benefit models (affected populations, compliance steps, frequency, etc.).¹¹¹ For example, Germany's Service Centre for Better Regulation (in the Federal Statistical Office) has piloted AI that combs draft legal texts, identifies compliance-relevant passages, and predicts where compliance costs may occur – using high/low estimates to prioritize proposals that need manual, in-depth costing.¹¹² In public participatory processes (as part or separate from RIAs), AI can help agencies process public comments at scale, by categorizing submissions and eliminating duplicates, identifying key themes and improving the quality and depth of inputs.¹¹³

Monitoring compliance and fostering accountability

AI expands the toolbox for monitoring compliance and fostering accountability in two complementary ways. On the compliance side, AI systems can be fed live data (documents, transactions, web pages, sensor data streams) to spot anomalies, match licences to operators and target high-risk cases. This allows routine, low-risk parties to face fewer blanket requirements while outliers are flagged early. On the accountability side, these systems can be trained to generate traceable, time-stamped evidence (who did what, when, on what basis), making both businesses and authorities more auditable and enabling ex post evaluation of whether rules work as intended. The OECD documents that a growing share of member countries now use data-driven methods for monitoring/enforcement of commitments and emphasizes that such tools create clear, traceable evidence of compliance or non-compliance of regulatory practices.¹¹⁴

Risks and safeguards

The same features that make AI powerful also introduce risk. As the WTO notes, biased AI algorithms could reinforce discrimination, including the kinds that WTO agreements are intended to address. Human supervision remains essential.¹¹⁵ The OECD underscores that virtual assistants and other AI in consultation and service delivery must be evaluated over time to avoid unforeseen failures such as biased advice or privacy breaches, and that training data and model variables must be understood to mitigate bias.¹¹⁶

To use AI successfully in implementing regulatory practices, the OECD identifies the following key safeguards:¹¹⁷

- Human-centred and rights-based design: uphold rule of law, human rights and fairness; ensure meaningful human oversight for consequential uses.
- Transparency and disclosure: notify users when they are interacting with AI; provide coherent information about how outcomes were reached and how to challenge them.
- Robustness, security and safety: test and manage risks across the lifecycle; protect against manipulation, failures and cyber threats.
- Accountability: assign clear responsibility for AI outcomes; keep records and traceability so decisions can be audited.

Box 4: Making artificial intelligence work in implementing good regulatory practices in services trade: opportunities, risks, and safeguards (continued)

- Data quality and privacy: use appropriate, high-quality data with safeguards for privacy and data protection.
- Ongoing monitoring and redress: monitor performance post-deployment and enable contestability and effective redress if problems arise.

When used thoughtfully, AI can serve to further strengthen the operationalization of GRPs in services trade – cutting information and compliance costs, speeding up and stabilizing authorizations, and deepening transparency and stakeholder participation – while ensuring that humans remain in charge of regulatory outcomes. The evidence from WTO and OECD analysis points to real-world gains, as well as real risks. The task for regulators is not to automate decisions outright, but to deploy AI to make rules clearer, streamline requirements and processes in a faster and fairer way, and promote accountability.

ENDNOTES

- 1 World Bank, World Development Indicators, <https://databank.worldbank.org/source/world-development-indicators>.
- 2 World Bank, World Development Indicators, <https://databank.worldbank.org/source/world-development-indicators>.
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- 4 WTO (2023a).
- 5 World Bank and WTO (2023), pp. 48-49..
- 6 WTO (2019).
- 7 WTO (2019); World Bank and WTO (2023).
- 8 World Bank, World Development Indicators, <https://databank.worldbank.org/source/world-development-indicators>.
- 9 Nayyar and Davies (2023), p. 2; World Bank (2024a), pp. 1-12.
- 10 Nayyar and Davies (2023), p. 2; World Bank (2024a), pp. 1-12.
- 11 Measures that constitute restrictions on market access are identified exhaustively in GATS Article XVI and consist of six types of mostly quantitative restrictions – imposing maximum quotas on the establishment and operations of service suppliers – as well as restrictions on legal form and foreign equity limitations. National treatment restrictions are defined in GATS Article XVII as measures modifying the conditions of competition in favour of domestic services or services suppliers.
- 12 Molinuevo and Sáez (2014).
- 13 WTO (2019).
- 14 OECD (2017), *International Regulatory Co-operation and Trade: Understanding the Trade Costs of Regulatory Divergence and the Remedies* (2017).
- 15 On 2 December 2021, 67 WTO members adopted a declaration announcing the successful conclusion of negotiations on services domestic regulation contained in WTO official document WT/L/1129.
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- 17 World Bank (2024b).
- 18 World Bank (2024b).
- 19 Bekkers and So (2024).
- 20 Bekkers and So (2024).
- 21 Baiker, Bertola and Jelitto (2021).
- 22 Gillson, Molinuevo and Sáez (2020).
- 23 World Bank and WTO (2023).
- 24 World Bank and WTO (2023).
- 25 WTO (2025a).
- 26 OECD (1995); OECD (2012).
- 27 OECD (1995); OECD (2012).
- 28 World Bank (2004); APEC-OECD (2005).
- 29 Trade-specific concerns with regulatory practices were already addressed under the rubric “non-tariff barriers” in the GATT 1947 (e.g. Articles VIII – Fees and Formalities connected with importation and exportation, and X – Publication and Administration of Trade Regulations), and later in the plurilateral 1979 Tokyo Round Standards and Import Licensing Codes.
- 30 OECD (2005).
- 31 APEC-OECD (2005).
- 32 GATT, Article X.
- 33 TBT Agreement, Article 2.9.
- 34 TBT Agreement, Article 2.4.
- 35 SPS Agreement, Article 3.1.
- 36 GATS, Article XIX.
- 37 GATS, Articles XIX and XX.
- 38 WTO (1998).
- 39 WTO (1997).
- 40 WTO (2005), paras. 25-27.
- 41 WTO (2009); WTO (2011).
- 42 WTO (2017a).
- 43 Coghi and Jelitto (2023), pp. 361-376.
- 44 WTO (2017b).
- 45 WTO (2021). The SDR Disciplines are contained in Sections II and III of the Reference Paper on Services Domestic Regulation (SDR Reference Paper), as set out in WTO official document INF/SDR/2, 26 November 2021. Note that, unless otherwise specified, references to specific paragraphs of the SDR Disciplines refer to paragraphs in Section II of the SDR Reference Paper. For more detail on the Joint Initiative's negotiations, see Coghi and Jelitto (2023).
- 46 WTO (2000).
- 47 SDR Reference Paper (WTO, 2021), Section I.
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- 49 SDR Reference Paper (WTO, 2021), para. 3.
- 50 SDR Reference Paper (WTO, 2021), para. 4.
- 51 SDR Reference Paper (WTO, 2021), paras. 5 and 6.
- 52 SDR Reference Paper (WTO, 2021), para. 7.
- 53 SDR Reference Paper (WTO, 2021), para. 8.
- 54 SDR Reference Paper (WTO, 2021). The listing of new additional sectors does not entail the undertaking of new market access and national treatment commitments for such sectors.
- 55 SDR Reference Paper (WTO, 2021), para. 4.
- 56 SDR Reference Paper (WTO, 2021), para. 10.
- 57 SDR Reference Paper (WTO, 2021), para. 11. To facilitate the designation of transitional periods as close as possible to the graduation from LDC status, LDC participants are required to schedule the disciplines only six months before graduating, and at that time to designate any transitional periods in line with para. 10 of Section I.
- 58
- 59 SDR Reference Paper (WTO, 2021), para. 2.
- 60 SDR Reference Paper (WTO, 2021), para. 20.
- 61 SDR Reference Paper (WTO, 2021), paras. 14-19.
- 62 SDR Reference Paper (WTO, 2021), para. 21.
- 63 SDR Reference Paper (WTO, 2021), para. 22(d).
- 64 SDR Reference Paper (WTO, 2021), para. 9.
- 65 Note that, in this Handbook, references to the Alternative SDR Disciplines refer to Section III of the SDR Reference Paper (WTO, 2021).
- 66 SDR Disciplines (WTO, 2021), paras. 7(b) and (d).
- 67 SDR Disciplines (WTO, 2021), para. 8.
- 68 SDR Disciplines (WTO, 2021), para. 9.
- 69 SDR Disciplines (WTO, 2021), para. 10.
- 70 SDR Disciplines (WTO, 2021), para. 12.
- 71 SDR Disciplines (WTO, 2021), para. 13.
- 72 SDR Disciplines (WTO, 2021), para. 20.
- 73 SDR Disciplines (WTO, 2021), para. 22.
- 74 SDR Disciplines (WTO, 2021), para. 8.
- 75 SDR Disciplines (WTO, 2021), para. 4.
- 76 SDR Disciplines (WTO, 2021), para. 5.
- 77 SDR Disciplines (WTO, 2021), paras (a), (c), (e), and (f).
- 78 SDR Disciplines (WTO, 2021), paras. 14, 16, 17, and 18.
- 79 SDR Disciplines (WTO, 2021), para. 20.
- 80 SDR Disciplines (WTO, 2021), para. 7 (f).
- 81 SDR Disciplines (WTO, 2021), para. 19.
- 82 SDR Disciplines (WTO, 2021), para. 6 (a).
- 83 SDR Disciplines (WTO, 2021), para. 11.
- 84 SDR Disciplines (WTO, 2021), para. 10.
- 85 OECD (2020a).
- 86 OECD (2020b).
- 87 OECD (2021a).
- 88 These figures represent updated results of the research contained in WTO Staff Working Paper ERSD-2021-14. See, for reference, Baiker, Bertola and Jelitto (2021).
- 89 These figures represent updated results of the research contained in WTO Staff Working Paper ERSD-2021-14. See, for reference, Baiker, Bertola and Jelitto (2021).
- 90 Melo Araujo (2014); Lejárraga and Shepherd (2013).
- 91 OECD (2023). Case studies can be found in OECD reports, for instance, on Australia, France, the Republic of Korea, Mexico, the United States, etc.
- 92 The meaning of “ad valorem” is imposed at a rate percent of value.
- 93 Miroudot, Sauvage and Shepherd (2010).
- 94 OECD (2017).
- 95 WTO (2023a).
- 96 WTO (2023a).
- 97 World Bank and WTO (2023), pp. 48-49.
- 98 Rubínová and Sebti (2021).
- 99 WTO and OECD (2021).
- 100 OECD (2021b).
- 101 Bekkers and So (2024).
- 102 The index was sourced from Baiker, Bertola and Jelitto (2021) using data from 86 WTO members on the implementation of 14 SDR Disciplines in their national regulatory frameworks across 23 services subsectors, primarily sourced from the WTO-World Bank Services Trade Policy Database.
- 103 Under the GATS, trade in services is defined through four modes of supply. Cross-border supply (Mode 1) exists when a service is supplied from one territory into another territory, without movement of supplier or consumer (e.g. an international telephone call). Consumption abroad (Mode 2)

exists if the service is supplied in the territory of the supplier to a consumer from another member (e.g. tourism); Commercial presence (Mode 3) exists if a service supplier from one member supplies services through a business or professional establishment in the territory of another member (e.g. a foreign insurance company establishes a subsidiary in another territory), and presence of natural persons (Mode 4), where a natural person of one WTO member is present in the territory of another member with respect to the supply of a service (e.g. employees of a foreign insurance company established in the territory of another member).

104 Baiker, Bertola and Jelitto (2021).

105 Gillson, Molinuevo and Sáez (2020).

106 WTO (2023b).

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