

General Agreement on Goods in Services

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About General Agreement on Goods in Services

- It is a treaty of the World Trade Organization (WTO).
- It was created to extend the multilateral trading system to the service sector, in the same way, the General Agreement on Tariffs and Trade (GATT) provides such a system for merchandise trade.
- It was signed at the Uruguay Round of Multilateral Trade Negotiations's conclusion and entered into force on January 1, 1995.
- Members: All WTO members are at the same time members of the GATS including India.
- Basic obligations under the GATS may be categorized into two broad groups:
 - General obligations that apply to all members and services sector.
 - Specific commitments: These are obligations that apply only to the sectors inscribed in a member's schedule of commitments. Such commitments are laid down in individual schedules whose scope may vary widely between members.
- The GATS applies in principle to all service sectors, with two exceptions.
 - Services supplied in the exercise of governmental authority: These are services that are supplied neither on a commercial basis nor in competition with other suppliers.

- These include social security schemes and any other public service, such as health or education that is provided at non-market conditions.
- The Annex on Air Transport Services exempts from coverage measures affecting air traffic rights and services directly related to the exercise of such rights.

New obligations

- The new obligations under their schedules in GATS seek to mitigate the unintended trade-restrictive effects of measures related to licensing requirements and procedures, qualification requirements and procedures and technical standards among themselves.
 - The disciplines will be applied on a “most-favoured nation” principle, meaning that they will benefit all WTO members.
 - These disciplines have been named Services Domestic Regulation (DSR) and came into force in the 13th Ministerial Conference of the WTO.
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Q1) What is the World Trade Organisation?

It was created in 1995, it is an international institution that oversees the rules for global trade among nations. The WTO is based on agreements signed by most of the world’s trading nations. The main function of the organisation is to help producers of goods and services, as well as exporters and importers, protect and manage their businesses.

Source: [Services pact with voluntary obligations comes into force](#)

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