

Trade in Services Agreement (TiSA) Scheduling Approach

The Trade in Services Agreement (TiSA) features a 'hybrid' scheduling approach that builds on the WTO General Agreement on Trade in Services (GATS) while also drawing from TiSA parties' FTA practice. This ensures the TiSA can reflect a higher level of ambition and existing trade practices.

Market access commitments, or commitments to allow the entry of foreign service suppliers into the market, will be made on a 'positive list' basis, similar to the GATS. Under a positive list approach, the list of scheduled commitments reflects the terms, limitations, conditions and the mode of supply that a TiSA party is willing to offer. Each TiSA party will choose the specific sectors where they will make commitments, which are subject to negotiation.

Commitments on National Treatment, or commitments to treat foreign service suppliers the same as local suppliers once they enter a market, and the 'Localisation' obligations, which address requirements related to local presence, local content and local management, will be made on a 'negative list' basis. Each TiSA party will set out in its schedule where these specific obligations do not apply. Unless a reservation is listed, parties will commit to provide equal treatment to both foreign and local suppliers.

How to read a TiSA Schedule

TiSA schedules are broken into two parts – Part I – Horizontal Commitments and Part II – Sector-Specific Commitments. For the purposes of National Treatment and Localisation obligations, the schedule is also separated into Section A and Section B, which determines whether a standstill and ratchet apply (see below).

Market Access column:

- terms, limitations and conditions on market access that apply to all sectors in Part II are listed in the top part of the schedule, under 'Part I - Horizontal Commitments';
- sector-specific terms, limitations and conditions on market access are listed by sector in the bottom part of the schedule, under 'Part II - Sector-Specific Commitments';
- where a party undertakes a commitment in a sector, all limitations on Market Access in that sector must be listed;
- a variation from the GATS approach to scheduling Market Access in TiSA is that limitations that apply to both Market Access and National Treatment (for example, foreign equity limitations) are listed in **both** Market Access and National Treatment columns.

National Treatment/Other limitations column:

- for any sector where a party does not commit to apply the National Treatment and Localisation obligations in full, a reservation must be listed in the National Treatment/Other Limitations column;
- any limitation on the National Treatment and Localisation obligations that is not listed cannot be maintained;
- a standstill (binding current levels of market openness) and ratchet (binding future liberalisation of existing limitations) will apply to all National Treatment and Localisation commitments in Section B;
- where a party includes a reservation in Section A, it has created policy space and standstill and ratchet does not apply.

An example of the TiSA Schedule is provided below.

The Hybrid Scheduling Model, as used in TiSA

[NAME OF TiSA PARTY] – SCHEDULE OF SPECIFIC COMMITMENTS

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or subsector	Limitations on market access	National Treatment (NT)/Other limitations	Additional commitments
I. HORIZONTAL COMMITMENTS			
<i>Party undertakes its specific commitments in accordance with Part II – Scheduling Commitments.</i>			
<u>SECTION A</u> RESERVATIONS pursuant to [list Part and Articles] (<i>horizontal NT and Localisation; standstill and ratchet does not apply</i>)		<i>Party reserves the right to adopt or maintain any measure in the specific sectors, sub-sectors or activities listed below:</i> <ul style="list-style-type: none"> Party lists reservations to NT and Localisation obligations for existing and future measures. Legal citations provided where applicable 	
<u>SECTION B</u> RESERVATIONS pursuant to [list Part and Articles] (<i>horizontal NT and Localisation; standstill and ratchet applies</i>)		<i>Party maintains the following conditions and qualifications in all sectors in the following areas:</i> <ul style="list-style-type: none"> Party lists existing NT and Localisation limitations it wants to maintain which are applicable to all sectors. Standstill and ratchet apply. Legal citations provided where applicable. 	
ALL SECTORS INCLUDED IN PART II OF THIS SCHEDULE	<i>Party maintains the following terms, limitations and conditions on market access in all sectors included in Part II of this Schedule:</i> <ul style="list-style-type: none"> Party lists the terms, limitations and conditions on market access that apply to all the sectors below 		
II. SECTOR-SPECIFIC COMMITMENTS			
1. SECTOR <i>Each Party lists the sectors/sub-sectors which it is either offering market access commitments or maintaining a NT or Localisation limitation.</i>	<ul style="list-style-type: none"> Party lists the terms, limitations and conditions on market access for each sector or sub-sector for Modes 1 – 4. 	<ul style="list-style-type: none"> Party lists existing NT and Localisation limitations it wants to maintain in specific sectors or sub-sectors. Standstill and ratchet apply. Legal citations provided where applicable. 	