

Book Review

A Handbook on the GATS Agreement, by the World Trade Organization,
A WTO Secretariat Publication, Cambridge University Press 2005, ISBN 0521
61567 4 paperback, £19.99, ISBN 0521 85071 1 hardback, £45.00.

The Marrakesh Agreement establishing the World Trade Organisation includes three multilateral agreements:

- The General Agreement on Tariff and Trade (GATT)
- The Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS)
- The General Agreement on Trade in Services (GATS), object of this book.

Given a rapid growth in the last two decades or so of world services trade, the need for internationally recognised rules was pressing. The book aims to provide a better understanding of the GATS, its challenges and opportunities.

For the inexperienced reader the 90 pages of this small book manage to paint a clear picture of the issues at stake and provide many opportunities for further thoughts with questions included throughout the chapters. However it seems clear that even experienced readers may well find this book a useful one to refer to, since not only is it plainly written and contains in the annex the text of the General Agreement of Trade in Services, but also on many occasions differences and similarities with the General Agreement on Tariff and Trade (GATT) are pointed out.

The book starts with the description of the purpose of the GATS and its basic concepts. It is in this introductory chapter that one may learn that the GATS is intended to contribute to trade expansion although this is not an end in itself. Rather, the GATS is seen as an instrument for growth and development promotion, in all countries including developed and least developed countries. The chapter goes on to providing insights into the definition of services trade and modes of supply where distinctions between cross-border trade, consumption abroad, commercial presence and the movement of natural persons are drawn. Follows further developments concerning the scope of the Agreement, the general transparency and other good governance obligations, the most favoured-nation treatment and the conditional granting of market access and national treatment. Next comes a useful chapter for the novice on the main building blocks of the agreement giving an uncomplicated picture of the basic structure of the GATS and providing clarifications on the general and specific obligations that apply to members. Three very short and concise chapters then take a closer look at domestic regulation, the administration of GATS and the role and responsibilities of member governments. With regards to domestic regulation, chapter 3 intends to show how a balance needs and can be achieved between national policy objectives and overall GATS objectives. Chapter 4 details the role of the council for trade in services and other bodies allied to the administration of the Agreement, including some elements of dispute settlement procedures. Chapter 6 touches on the challenges ahead and contains some interesting points on e-commerce and how Internet use is transforming services trade. For example, the handbook explains how

the Internet can “prove a great equalizer that helps to reduce, even eliminate, distance-related barriers to trade, but it can also exacerbate a so-called digital divide vis-à-vis countries with infrastructural deficiencies”. This chapter is followed by some guidance on preparing requests and offers. The last chapter attempts to dispel some misconceptions about the GATS. Finally the book concludes with a series of useful appended documents relating to “Understanding your Country’s Service Trade” and “Relevant Services Statistics and Classifications”.

Overall, as an inexperienced lawyer in this area, this handbook is an enabler to grasping the main concepts allied with this agreement and will no doubt also enrich prior understanding of TRIPS or the GATT. Although one may often wish for more depth and details, the book was always intended to be, as its title indicates, a handbook, thus only highlighting the essential concepts and framework of the GATS. In this respect, the book is a success.

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