



**GSC Statement on Importance of World Trade Organization (WTO)
Maintaining a Positive Way Forward on Services and Digital Trade
at the Eleventh WTO Ministerial Conference (MC11)
December 12, 2017**

The Global Services Coalition (GSC) speaks for the services sector in its members' respective countries on matters of international trade and investment and represents their industries internationally.

WTO rules, market access commitments and dispute settlement are the bedrock of the global trading system, particularly for services. A strong rules-based multilateral system is critical to promoting trade in services and digitally enabled services and ensuring continued growth in services industries as well as manufacturing, agriculture and micro, small and medium sized enterprises (SMEs) in developed and developing countries alike. The growth of services is being magnified by the advance of the Fourth Industrial Revolution and Society 5.0, in which data flows have surpassed trade flows and digital technology and digitally enabled services are transforming our daily lives.

As our governments seek to help to provide more citizens with economic prosperity through new business opportunities and job creation, the expansion of the services sector and digital trade would be a welcomed boost to manufacturing and agriculture in economies around the globe.

But there are significant threats to the continuation of this momentum. As our economies continue to repair from the damaging effects of the global financial crisis, concerns about job growth, and future economic opportunity are fuelling public discontent and raising the spectre of protectionism.

Now more than ever we need to reaffirm the benefits of the multilateral trading system and the open markets for services trade and investment that it supports. That is why the GSC

affirms its strong support for the WTO as an institution as well as its rules and enforcement mechanisms.

The GSC also encourages Ministers to engage in constructive discussions at MC11 that enable a pathway forward on the broad range of services, digital trade and investment questions that need to be addressed. They include new market-opening, fairness in national treatment of trade and investment, fair and transparent domestic practices, facilitation of cross border data flows and a prohibition on forced data localization, renewal of the moratorium on e-commerce duties, avoidance of forms of cyber-regulation that restrict trade unnecessarily and disproportionately, disciplines on state-owned enterprises, streamlined customs procedures, and fresh initiatives towards regulatory cooperation.

GSC members encourage WTO members to display flexibility and creativity in finding pathways to progress on these issues encompassing plurilateral as well as multilateral approaches. The GSC urges WTO members to reaffirm their commitment to the rules-based multilateral system and produce visible signs of progress building a future agenda.