



European  
Commission

## **Report of the 16th TiSA negotiation round**

***31 January – 5 February 2016***

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Date: 19/02/2016

Trade

## **Summary**

*The 16th TiSA negotiating round took place from 31 January – 5 February 2016. It was organised and chaired by the US. The next round, organised and chaired by Australia, will take place during the second week of April.*

*The round was organised according to the work plan endorsed at the October round. The objective of this round was to get closer to agreeing on text in **all Annexes on digital issues** (Telecoms, E-commerce, Localisation) as well as on **Mode 4**. In addition, the agenda provided for discussion of **Financial Services and Transparency in Sectoral Annexes**. **Market access** discussions were held bilaterally.*

*Overall, **good progress was made in working towards agreed text**. To set a clear pathway forward, TiSA participants agreed on a **revised work plan**. In essence, it aims to have the content of the key Annexes agreed by July 2016 and that of the remaining texts by September 2016. Increased focus will also be put on market access with two revisions of offers in May and October.*

## **Detailed report**

### **1. Financial Services**

During the sessions on Financial Services participants discussed which standard market access commitments for cross-border trade should be included in the text. Participants reached an understanding regarding the scheduling of national treatment commitments. They also discussed whether the horizontal transparency/domestic regulation provisions should also apply to financial services. The text of the Articles on payment and clearing systems and on expedite insurance procedures was agreed. There was further agreement regarding an article on non-discriminatory measures.

### **2. Mode 4**

There was significant progress in Mode 4 text consolidation. Agreement was reached on most of the text in the article on scope, while discussions on transparency in mode 4 are still on-going. Agreement was reached on an article on mode 4 contact points. Much progress was achieved on a scheduling provision, which provides a general guideline to the scheduling of mode 4 commitments. Finally, rules on the facilitation of visa procedures have been discussed, including with regard to the EU proposal for a separate protocol.

### **3. Telecoms**

Negotiators made good progress with regard to provisions that originate from the GATS. Some key issues such as access to essential facilities were not on the agenda of this round. Participants discussed to what telecommunications services TiSA should apply and will have to continue that discussion. Partial agreement was reached on some

of the provisions (independence of the regulator; licenses, interconnection) on others very good progress was made (transparency, resolution of disputes, access and use). Overall there was a clear willingness from all participants to make further progress with regards to telecommunications.

#### **4. E-commerce**

Participants made very good progress on provisions on scope, consumer protection, spam, net neutrality and electronic authentication. One of the participants presented a new proposal on non-discrimination of digital content. Participants discussed provisions on data flows, location of computing facilities (issues on which the EU did not actively engage at this stage) and source code without much progress. Several participants pointed to the need for strong exceptions for public policy objectives if those provisions will be included in the final TiSA text.

#### **5. Localisation**

Participants discussed provisions on Local Presence, Local Management and Board of Directors, Local Content and Local Technology. The EU presented its drafting ideas on performance requirements. Participants asked for clarification on a number of issues, in particular with regard to applicable exceptions.

#### **6. Transparency in Sectoral Annexes**

TiSA participants looked at all annexes to ensure consistency between sectoral and horizontal provisions on Transparency and Domestic Regulation.