


Establishment of education  
"The Belarusian state economic university"

SUBMIT  
Rector  
of the education establishment  
"The Belarusian state economic  
university"

  
V.N. Shimov  
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**TRADE IN SERVICES**

Syllabus of educational establishment on training discipline  
for specialty

1-25 81 01 International Economics and Trade Policy

**ORIGINATOR:**

Shkutsko Aksana Nikolaevna, Ph. D., associate professor, Department of international economy of establishment of education "Belarusian state economic university"

**REVIEWERS:**

Turban Galina Vladimirovna – Head of the Department of international business of establishment of education "Belarusian state economic university" Ph. D., associate professor

Maksimenco-Novohrost Tatiana Vladimirovna – Head of the Department of the economic theory Institute of administrative shots of Academy of management at the President of Republic of Belarus, Ph. D., associate professor.

**RECOMMENDED TO BE APPROVED AS BASIC:**

Department of international economy of establishment of education "Belarusian state economic university"  
(protocol № 10 of 09.03.2017);

Scientific and methodical Council of establishment of education "Belarusian state economic university"  
(protocol № 5 of 21.06 2017).

## EXPLANATORY NOTE

The training discipline "Trade in services" explores one of the most important and difficult issues in international trade policy: the relationship between trade, liberalization and domestic regulatory autonomy. The interface between international trade and domestic regulatory conduct has been the object of a growing body of rules in relation to trade in goods but is new in the realm of services. Given the pervasive influence that domestic regulatory conduct exerts on trade conditions, it should come as no surprise that the attendant policy sensitivities, to which they give rise, should have become so prominent in the negotiating circles of the General Agreement on Trade in Services (GATS).

A paradox of the body of rules governing trade in services at the multilateral level is that the disciplines dealing with the centrally important issue of domestic regulation and its impact on market access rank amongst its weakest elements. As a result, a central question confronting the multilateral community, and to which the course attempts to provide some answers, is how should GATS disciplines be strengthened without unduly curtailing regulatory freedom. Of related interest are the questions of determining the extent to which government regulations in the services field can be based on principles of economic efficiency and good governance, and the degree to which regulatory principles can be pursued through the creation of meaningful horizontal disciplines.

The aim of the training discipline :\_ to give theoretical and practical knowledge about the features of the development, operation, national and international regulation of world trade in services under the WTO and specialized intergovernmental economic organizations in various industries and to show how basic economic analysis may be applied to gain a greater understanding of key trends in trade in services.

The objective of the training discipline:

- disclosure of the essence, the types of services, the classification of international services;
- identify trends in world trade in services and expertise of the provision of certain services;
- study the content, tools and mechanisms for implementation of trade policy in services, the characteristics of regulation of certain types of services;
- identification of the genesis of international regulation of trade in services and the adoption of the prerequisites of the GATS;
- study of the structure of the GATS and the content of the main basic elements;
- clarification of specialized international intergovernmental economic organizations engaged in the regulation of certain industries;
- study characteristics of trade in services in the Republic of Belarus and its interaction with international economic organizations, the regulatory scope of services.

Learning outcomes

As a result of studying the discipline the student should know:

- types of services and the classification of international services;
- how is the delivery of services between WTO member countries;
- trends in world trade in services and specialization of the provision of certain services;
- tools, mechanisms for the implementation of protectionist and liberal trade policy in services;
- direct and indirect discrimination (entry and conduct regulation);
- features of regulation of certain types of services;
- the Uruguay Round of multilateral trade negotiations under the GATT (1994) for the adoption of the GATS;
- principles of international regulation of trade in services as defined in the GATS;
- the structure of the GATS and the content of the min basic elements;
- a system of specialized international inter-governmental economic organizations and instruments governing the regulation of certain industries;
- features of the development of trade in services and specialization of the Republic of Belarus, its interaction with international economic organizations, the regulatory scope of services.

Moreover, the student should be able to:

- provide a comparative analysis of the functioning of the global trade in services and identify trends and prospects for development;
- calculate the competitive advantage of the provision of certain services;
- use different models of implementation of protectionist and liberal trade policy in services;
- assess the feasibility and consequences of the use of direct and indirect discrimination and discriminatory barriers to entry into the national market for services;
- implement the principles of international regulation of trade in services as defined in the GATS;
- determine the specialization of the country, and the direction of its adjustment to the provision of services;
- assess the positive and negative effects of the state of cooperation with the GATS and the specialized international inter-governmental economic organizations, governing the regulation of certain industries, to predict the prospects of further cooperation.

Structure of the course and teaching methods used: the course material also is covered using a number of modalities. First, there are lectures that are designed to go over the basic material. Second, there will be practical studies based on questions that are circulated in advance. Third, during the seminars, small group of students present mini projects using multimedia presentations from required and recommended readings or debate topics. Last, each student is expected to prepare a final individual presentation covering a national, international, or global development in trade in services. The purpose of these is to encourage students to research different economic trends using their own means.

The training discipline «Trade in services» is based on main prerequisite courses like «International Microeconomics», «International Macroeconomics», «International Trade Theory and Policy», «WTO Regulation and International Trading System», in the amount of study – 60 hours, including 18 hours – lectures, 12 hours – seminars.

Form of control – academic credits.



## **MAINTENANCE OF THE TRAINING MATERIAL**

### **Topic 1. Trade in services and economic development**

Definition of services; features & perception; types of services; difference between goods and services; international trade in services; liberalization of trade in services (effects & expectations);

Trends in exports and imports of services in the global market; countries specialization in providing certain services; role of TNCs in monopolization in services markets.

### **Topic 2. General agreement on trade in services**

Genesis of the international regulation of trade in services; main features of General Agreement on Trade in Services (market access, national treatment, GATS general exception, GATS limitations on Domestic Regulation); Most Favoured Nation (MFN) regime; limitations on market access; GATS objectives (liberalization, expansion, transparency, participation);

GATS structure; GATS key principles; GATS sectoral coverage; GATS mode of trade (Mode 1 – Cross-border trade, Mode 2 – Consumption abroad, Mode 3 – Commercial presence, Mode 4 – Movement of natural persons); Barriers to trade in services in Modes 1-4; Schedule of Commitments;

### **Topic 3. Domestic regulation in trade in services**

Barriers to entry into the domestic market; sectoral policy regimes; trade preferences; external trade policy in services; tools and methods of state regulation; targeted policies and economic effects; services policy indicators (product market regulation, administrative regulation, domestic economic regulation);

WB Trade Policy Restrictiveness Index in Services (telecommunications, maritime transport, financial services, professional services); OECD Indicators of regulation in transport; process of integration of Belarus into the world market of services; regulatory and legal framework in Republic of Belarus with respect to the GATS.

### **Topic 4. International organizations for multilateral regulation of international services markets**

Need for specialized inter-governmental economic organizations in certain services industries. Main regulation instruments and methods; multilateral cooperation on global services markets (International Council, international trade

agreements, international trade organizations, international research groups and committees).

Problems of application of regulatory instruments of international trade in services.

### **Topic 5. Regional trade agreements (services)**

Political economy of regional trade agreements; purpose and effects of regional trade agreements; economic effects of preferential versus MFN-based liberalization; mutual trade agreements; trade preferences in regional trade agreements in services; rules of origin (juridical and natural persons) and discrimination in regional trade agreements.

Benefits and costs in services in regional trade agreements; trade restrictive measures; main trends and mechanisms on trade in services in regional trade agreements; provisions in regional trade agreements in government procurement of services; multilateral agreements under the WTO; positive and negative effects.

## ACADEMIC MAP OF THE DISCIPLINE

### Full-time education

Number of topic	Topic and questions	Number of auditory hours					other	Forms of knowledge control
		Lectons	Practical studies	Seminars	Laboratorial studies	Managed independent work		
1	2	3	4	5	6	7	8	9
1.	Trade in services and economic development	2		2			[5, 7, 9, 10, ]	Survey, test
2	General agreement on trade in services	4		4			[5, 10, ]	Survey, test
3	Domestic regulation in trade in services	4		2			[5, 10, 11]	Survey, test
4.	International organizations for multilateral regulation of international services markets	4		2			[1, 5, 7, 11, 13]	Survey, test



5.	Regional trade agreements (services)	4		2			[1, 4, 5, 11, 13]	Survey, test
Итого		18		12				

## **INFORMATION AND METODIC PART**

### **Methodical recommendations about the organization of independent work undergraduates on a subject matter "Trade in services"**

In mastering knowledge of a subject matter an important stage independent operation of undergraduates is. The budget of time for independent operation on average on 2-hour classroom occupation is recommended 1,5 - 2 hours.

Main directions of independent operation of the undergraduate:

- original acquaintance with the program of a subject matter;
- acquaintance with the list of the recommended literature, its study and selection of additional literature;
- operation with the political map of the world;
- study of materials of different databases of the international economic organizations for regional trade agreements and official sites of integration associations;
- a study and extension of the material of lectures provided by the teacher due to information from additional literature, consultations;
- preparation for seminar classes in specially developed plans with a study of the main and additional literature;
- preparation for the main forms of monitoring (control inquiry, test, jobs USRS, etc.);
- preparation of the computer presentations on single questions and subjects of a subject matter;
- preparation for exam.

#### **Standard and acts**

General Agreement on Trade in Services. Geneva : GATT, 1994.

Agreement on Subsidies and Countervailing Measures. Geneva : GATT, 1994.

Agreement on Trade-Related Aspects of Intellectual Property Rights. Geneva : GATT, 1994.

Marrakesh agreement

#### **READING LIST**

##### **Core Textbooks**


1. Research Handbook on Trade in Services. Edited by Pierre Sauvé. World Trade Organization, Geneva - 2016.- 648 p.
2. Regional Trade Agreements and the Multilateral Trading System. Edited by: Rohini Acharya, World Trade Organization, Geneva -2016.- 752 p.
3. Opening Markets for Trade in Services Countries and Sectors in Bilateral and WTO Negotiations. World Trade Organization, Geneva - 2010 - 786 p.

4. Patrick Low. Governments, Non-State Actors and Trade Policy-Making. Edited by Ann Capling, University of Melbourne , 2016 – 320 p.
5. General Agreement on Trade in Services. Geneva : GATS, 1994.115 c.

### **Recommended Readings**

6. GATS and the Regulation of International Trade in Services – World Trade Forum. Marion Panizzon Nicole Pohl Pierre Sauvé. Cambridge University Press 2015. - 340 p.
7. Managing the Challenges of WTO Participation - 45 Case Studies. Edited by Peter Gallagher, Inquit Communications Patrick Low, World Trade Organization Andrew L. Stoler, University of Adelaide, 2015.- 666p.
8. DeRosa, D.A. Regional integration arrangements: static economic theory, quantitative findings, and policy guidelines. - Washington: World Bank, 1998. - 118 p.
9. World trade report 2016 / WTO: The WTO and preferential trade agreements: from co-existence to coherence. - Geneva: WTO, 2016. - 253 p.
10. The Preferential Liberalization of Trade in Services: Comparative Regionalism Edited by Pierre Sauve. World Trade Organization, Geneva - 2015.- 480 p.
11. Preferential Trade Agreements: Policies for Development Handbook / ed. by J.P. Chau, Jean-Christophe Maur. - Washington D.C.: World Bank, 2011. - 536 p.
12. Williams P.J. A Handbook on Accession to the WTO.- New York: Cambridge university press, 2008.-260 p.
13. Training Package on Regional Trade Agreements / UNCTAD Virtual Institute. - N.Y. and Geneva: 2016. - 192 p.

## PROTOCOL OF COORDINATION OF THE TRAINING PROGRAM

Name of the discipline with which to negotiate	Name of the department	Proposals for changes in the content of the curriculum studied academic discipline	Action taken by the Department that developed the curriculum (with date and non-Protocol)
1	2	3	4
Macroeconomic (advanced level)	Department of economic theories	No Vorob,ev V.A. 	No changes are required. Protocol № 10 09.03.2017

**ДОПОЛНЕНИЯ И ИЗМЕНЕНИЯ К УЧЕБНОЙ ПРОГРАММЕ  
ПО ИЗУЧАЕМОЙ УЧЕБНОЙ ДИСЦИПЛИНЕ**  
на 2017 / 2018 учебный год

№ Пп	Дополнения и изменения	Основание

Учебная программа пересмотрена и одобрена на заседании кафедры  
(протокол № \_\_\_\_ от \_\_\_\_\_ 2017 г.)

Заведующий кафедрой  
д.э.н, профессор

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(подпись)

А.А. Праневич

УТВЕРЖДАЮ  
Декан факультета  
к.э.н, доцент

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(подпись)

В.Ю. Шутилин