

May 23, 2016

Re: Now is the time to make TiSA a 21st century digital trade agreement

Dear Trade Negotiator,

We strongly encourage your country to support proposals that remove access barriers in telecoms services during the final stretch of negotiations on the Trade in Services Agreement (TiSA).

Removing existing barriers is critical to facilitating online cross border trade, enabling global supply chains and boosting economic growth, job creation and improved productivity through competition, investment and innovation.

International corporate users, including those in manufacturing, financial services, energy, pharmaceuticals, logistics, transport, tourism, retail, as well as international organisations, rely on connectivity for networks in support of online business processes and communications.

International trade rules are, however, currently sub-optimal for the achievement of these goals. Two decades after the adoption of the WTO Basic Telecommunications Agreement and its related Regulatory Reference paper, communications networks suffer absent or insufficient non-discriminatory access rules at wholesale level, where there are enduring bottlenecks. This seriously restricts user capabilities worldwide, and hinders global providers of all digital communications services.

The next industrial 'digital' revolution is being built on such developments as cloud computing, big data, and the Internet of Things (IoT), and it relies upon the enabling role of the telecommunications industry, which itself depends on competitive electronic communications markets globally.

The WTO Basic Telecommunications Agreement, with its supporting Regulatory Reference paper, was an essential promoter of the first wave of telecommunications liberalisation that took place in the late-1990s. The Trade in Services Agreement (TiSA) presents another historic opportunity to develop those rules further, and to make them suitable for the success of the digital economy of the 21st century.

Specifically, we urge your country to support the following actions in TiSA:

- Inclusion of technology-neutral provisions and definitions for the application of wholesale access rules covering broadband where bottlenecks exist.
- Strengthening requirements for transparent independent regulatory reviews.
- Elimination of foreign equity caps in telecommunications to remove troublesome market barriers to growth in the global digital economy.
- Building TiSA telecoms rules on the General Agreement on Trade in Services *Plus* (GATS), going beyond the Trans-Pacific Partnership (TPP) trade agreement.

The expected accession of other members to TiSA and possible multi-lateralisation into the WTO system would make these new and innovation-centric requirements the global benchmark. TiSA is a historic opportunity to facilitate global supply chains and boost the economic growth and competitiveness of all TiSA countries through competition, investment, innovation and more affordable user prices.

We remain at your disposal to discuss this issue with you and your services.

Best regards,



Nick White

Executive Vice President

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