



# FACTSHEET Trade in Services Agreement

## 🔍 TiSA, more than a complicated acronym?

TiSA is an agreement on trade in services currently being negotiated by the European Union and 22 other countries<sup>1</sup>. Its objective is to make trade in services such as e-commerce, telecommunications, financial services and transport between those countries easier.

Services make up an increasing share in the global economy and account for 70% of the EU's gross domestic product (GDP). A future TiSA agreement will have significant repercussions for many consumer sectors.

So, why does TiSA matter for consumers? Because it will *directly* impact their lives, ideally by bringing concrete benefits e.g. reduced telecom prices.

For BEUC, it is vital that TiSA actually delivers these concrete benefits for consumers while ensuring their current levels of protection are maintained and can be enhanced in the future.

## 🔍 What's in it for consumers?

TiSA's proponents argue that consumers will benefit from more choice at lower prices because foreign companies will be able to more easily provide their services to them. Indeed, if the agreement is well designed, consumers might be better off.

But TiSA should go beyond these theoretical trade benefits. We want to see real benefits for consumers prioritised in the TiSA agreement:

- It should become easier for consumers to compel foreign service providers to respect their obligations towards them (information, cooling-off period, legal guarantees);
- Travellers (whether private or business) should get cheaper and better telecom roaming services;
- EU consumers should not be discriminated against when using foreign online services (buying goods online);
- Consumers buying services from businesses in TiSA-countries should be able to easily find information and solutions if something goes wrong;
- The EU data protection framework should fully protect consumers when contracting with service providers originating in TiSA countries.

## 🔍 What are the risks for consumers?

TiSA, if not well designed, risks lowering consumer protection standards and consumers' opportunities to enjoy an adequate level of protection in the future. How so?

- TiSA negotiators are discussing rules to oblige lawmakers to comply with strict criteria and 'necessity tests' before proposing new laws. This will hamper future measures to protect consumers in the EU because TiSA partners might consider them more burdensome than 'necessary'. For example, the agreement could prevent the EU from introducing future legislation that would protect consumers from harmful product features.
- Some TiSA signatories want to be able to comment on other countries' draft legislation, and to allow any interested person to do the same. This would risk undue influence on decision-makers and diluting the ambition of new proposals. This could result in 'regulatory chill', which means that EU policy development is steered and possibly paralysed by a system where too many non-EU stakeholders would be involved.

We are also concerned about the lack of **transparency in TiSA**. Only a few documents on TiSA have been published. This lack of transparency must be remedied to avoid public mistrust in the negotiations. All negotiating texts and position papers must be made available. The Commission committed to this in its new trade strategy and needs to deliver now.

<sup>1</sup> Australia, Canada, Chile, Colombia, Costa Rica, Hong Kong, Iceland, Israel, Japan, Liechtenstein, Mauritius, Mexico, New Zealand, Norway, Pakistan, Panama, Peru, The Republic of Korea, Switzerland, Chinese Taipei, Turkey and The United States



## Our recommendations

We ask for a balanced TiSA that provides tangible benefits to consumers, including protecting their rights at home, when they travel and when they shop online.

It is crucial that consumer protection is never considered a burden to trade and that fundamental rights – such as privacy – are not seen as barriers to trade.

To ensure this, our key recommendations<sup>2</sup> are as follows:

- TiSA should address the need to deliver concrete and specific benefits to consumers;
- Rock solid safeguards are needed to ensure that current consumer protection standards can be maintained and that they can be strengthened in the future if needed;
- TiSA negotiations must be more transparent and open to public debate.

## Background

The basis of TiSA is the 1995 General Agreement on Trade in Services (GATS). GATS liberalised services among World Trade Organisation (WTO) members. Some parties believe that GATS needs to be updated but not everyone agrees. Consequently, TiSA is a 'plurilateral' deal – a deal amongst multiple, but not all, WTO countries.

For more information please refer to [BEUC's position paper on TiSA](#).



**Other sources:** [www.tacd.org](http://www.tacd.org), [www.beuc.eu/trade](http://www.beuc.eu/trade)

<sup>2</sup>The European Parliament supports our recommendations in its resolution on TiSA.