WTO Mode 4

Overview

- Pursuing Mode 4 liberalization in FTAs

- Entry vs presence

- Presence and entry in FTAs

- Advantages of separating entry from presence in FTAs

Pursuing Mode 4 Liberalization in FTAs

- Connects individuals and businesses to global supply and value chains

- Supports competitiveness and productivity through facilitated movement of key personnel and access to broader talent pools

- Complements gains in other areas of an FTA

Entry vs Presence

ENTRY (at the border)	PRESENCE (beyond the border)
Examples of measures affecting the ability of a business person to be granted a work authorization in the host country: • Economic Needs Tests	

Entry and Presence in FTAs

- Entry commitments are addressed in the TE Chapter.

- Presence commitments are captured in the CBTS

Advantages of Separating Presence and Entry in FTAs

1) Ensures that business persons benefit equally from presence commitments, regardless of whether they enter via TE commitments in an FTA or under the domestic regime.

2) Increases flexibility when presence and entry commitments are independent.

3) Captures a broader scope of activities.

4) The nature of the commitments are defined separately.

1) Presence Requirements Apply Regardless of Entry Via Domestic Regime or an FTA

- Ensures that business persons will receive the same level of access/treatment once they obtain their right to work in the host state.

- Better aligned with the applied practices of most states.

Example

In this example, an FTA that has a temporary entry commitment for professional architects but not for architectural technicians

Both individuals are subject to the same presence commitments in the architecture sector after entering Canada

2) Increases Flexibility

- Provides maximum flexibility to the Parties to take commitments according to their level of ambition and sensitivity.

- Even if a Party is unable to undertake a specific entry commitment, they can still make presence commitments and vice-versa.

- This prevents the lowest common denominator

Conclusion