

**COALITION OF SERVICE INDUSTRIES
SUMMARY OF GATS NEGOTIATING PROPOSALS FOR ACCOUNTANCY SERVICES¹ (as of June 15, 2001)**

Country	Proposal/Objectives
<p><u>United States</u> (S/CSS/W/20) 18 December 2000 <i>Accounting Services</i></p>	<p><u>GENERAL</u></p> <p>1. Proposal aims to make it easier for accountants and accounting firms to provide services to clients involved in international transactions, "enabling those clients to conduct business successfully and with confidence that they are operating in compliance with applicable laws and regulations, thereby contributing to economic and social progress worldwide."</p> <p>1. Proposal is presented as a list of obstacles identified in the accountancy sector.</p> <p><u>DEFINITIONS/SCOPE</u></p> <p>1. Proposal covers accounting, auditing and bookkeeping services.</p> <p><u>PROPOSAL</u></p> <p>1. Proposes that WTO Members who have not yet made commitments on accounting services formulate their commitments based on the list of obstacles shown below, "or inscribe in their schedules 'no limitations' on market access and national treatment."</p> <p>1. Seeks discussion and liberalization of the following sectors</p> <ul style="list-style-type: none"> • Local equity requirements • Limitation on the numbers of accountants that can be employed and/or the numbers of new licenses to be issued • Citizenship and prior residence requirements for licensing or certification of accountants, or for requirements to sit for an examination related to obtaining licensing or certification to practice • Inappropriate restriction on electronic transmission of reports and accounting documents • Overly burdensome fees and/or taxes on repatriation of profits and other payments • Limitation on the number of foreign accountants who may be employed

¹ Proposals are available on the WTO website at http://docsonline.wto.org/gen_home.asp?language=1&=1.

	<ul style="list-style-type: none"> • Discrimination against licensed or certified foreign accountants in favor of local accountants in the same jurisdiction • Discrimination with respect to the form of business organization that is permitted for foreign accounting firms • Discriminatory requirements relating to ownership and control of foreign accounting firms • Discriminatory treatment with respect to foreign partners in a joint venture • In the licensing process, setting discriminatory prior conditions unrelated to the ability of the supplier to provide the service • Discriminatory requirements for membership in a particular professional body as a prior condition for licensing application • Discriminatory treatment of applications from foreign service suppliers vis-à-vis domestic applications, including: criteria related to education, experience, examination, and ethics; overall degree of difficulty when testing competence of applicants; the need for in-country experience before sitting examinations • Minimum requirements for local hiring. <p>2. Suggests that all WTO Members consider making additional commitments relating to regulation of the accountancy sector by endorsing the WTO Disciplines on Domestic Regulation in the Accountancy Sector, adopted by the Council for Trade in Services in December 1998, (with several revisions).</p>
<p><u>Australia</u> (S/CSS/W/62) 28 March 2001 <i>Negotiating Proposal for Accountancy Services</i></p>	<p><u>GENERAL</u> 1. In this short proposal, Australia identifies barriers and makes general proposals.</p> <p><u>DEFINITIONS/SCOPE</u> 2. None specified</p> <p><u>PROPOSAL</u> 3. Identifies the following impediments to further liberalization of the accountancy sector:</p> <ul style="list-style-type: none"> • Restrictions on establishing a commercial presence or foreign equity limitations in some markets including: <ul style="list-style-type: none"> - limitation on the number of foreign or national accountants that can be employed and/or the number of new licenses, - limitation on the form of business organization that is permitted,

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| | <ul style="list-style-type: none"> - overly burdensome fees and/or taxes on repatriation of profits; • unduly onerous and/or non-transparent temporary visa procedures; • citizenship or residency requirements for licensing or certification; <ul style="list-style-type: none"> - less favorable treatment of certified foreign accountants, - discriminatory treatment in respect of foreign partners in a joint venture; • limited or no recognition of qualifications or unreasonable requirements for qualifying examinations; • restrictions on the use of firm names; • restrictions on electronic transmission of reports and accounting documents. <ol style="list-style-type: none"> 4. Suggests that the accountancy disciplines concluded by the Working Party on Professional Services, set forth in "Disciplines on Domestic Regulation in the Accountancy Sector," are a good starting-point. But, advocates the strengthening of the disciplines by extending their reach to measures subject to scheduling under Articles XVI and XVII of the GATS. 5. Seeks review of accountancy disciplines in order to clarify and elaborate GATS obligations "to ensure that domestic regulations do not constitute unnecessary barriers to trade." 6. Wishes to ensure that procedures governing the entry of natural persons are efficient, expeditiously implemented, and transparent. 7. Seeks elimination of barriers that "cannot be justified on commercial grounds" with regard to commercial presence (Mode 3). |
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