

**EC (Services)  
Summary Fact Sheet**

**Table 1: Background Information**

Parties	Belgium, Denmark, Federal Republic of Germany, France, Greece, Ireland, Italy, Luxembourg, The Netherlands, Portugal, Spain and United Kingdom.	
Type of Agreement	Economic Integration Agreement.	
Date of signature	Belgium, Germany, France, Italy, Luxembourg and The Netherlands signed on 25 March 1957; Denmark, Ireland and United Kingdom signed accession treaty on 22 January 1972; Greece signed accession treaty on 28 May 1979; Spain and Portugal signed accession treaty on 16 June 1985.	
Date of entry into force	The Agreement entered into force in Belgium, Germany, France, Italy, Luxembourg and The Netherlands on 1 January 1958; in Denmark, Ireland and United Kingdom on 1 January 1973; in Greece on 1 January 1981; in Spain and Portugal on 1 January 1986.	
Review envisaged	The Treaty has an indefinite duration.	
Website or contact addresses	European Union website: <a href="http://europa.eu.int">http://europa.eu.int</a>	
List of related WTO documents	S/CN/6 L/7614 WT/REG39/1 WT/REG39/M/1-2-3-4-5 WT/REG39/2-3	Notification Agreement Standard format (services) Minutes Questions and Replies

**Table 2: Scope and general aspects**

Scope	Sectors	The Agreement covers all services sectors and activities. The term "services" includes: activities of an industrial character; activities of a commercial character; activities of craftsmen; activities of the professions and freedom to provide services in the field of transport which is covered by Title IV (Art. 60).
	Modes of supply	The measures on services apply to all modes of supply.
Positive/negative list		Positive list approach.
Sector-specific rules		Transport (Title IV); Movement of capital (Chapter IV of Title III).
Sectoral exclusions		Services supplied in the exercise of governmental authority.

**Table 3: Provisions of the Agreement**

Provision	Article	Additional information
MFN/National treatment	Art. 6; Art. 58; Art. 59	Under the Agreement any discrimination on grounds of nationality is prohibited. Companies or firms formed in accordance with the law of a Member State and having their registered office, central administration or principal place of business within the Community must be treated in the same way as natural persons who are nationals of Member States. "Companies or firms" means companies or firms constituted under civil or commercial law, including cooperative societies, and other legal persons governed by public or private law, save for those which are non-profit-making. Restrictions on freedom to provide services within the Community are prohibited in respect of nationals of Member States who are established in a State of the Community other than that of the person for whom the services are intended.
Movement of natural persons and right of establishment	Art. 48; Art. 52; Art. 53	The Agreement creates an internal market characterised by the abolition, as between Member States, of obstacles to the free movement of goods, persons, services and capital (Title III). Freedom of movement for workers has been secured within the Community through the abolition of any discrimination based on nationality as regards employment, remuneration and other conditions of work and employment (with the exclusion of employment in the public service). Limitations to the freedom of movement are justified on grounds of public policy, public security or public health. The right of establishment is recognized to nationals of a Member

		State in the territory of another Member State. This include the right to setting-up of agencies, branches or subsidiaries by nationals of any Member State established in the territory of any Member State. The introduction of any new restriction to the right of establishment is prohibited.
Elimination of discriminatory measures	Art. 59, Art. 62	Restrictions on freedom to provide services within the Community are to be abolished in respect of nationals of Member States who are established in a State of the Community, other than that of the person for whom the services are intended. Member States are prevented from introducing any new restrictions on the supply of services as from the entry into force of the Treaty.
Treatment of third party suppliers	Art. 59	The European Council may, acting by a qualified majority on a proposal from the Commission, extend the provisions of the services Chapter to nationals of a third country who provide services and who are established within the Community.
Denial of benefits	None	
Standards/mutual recognition	Art. 57	In order to make easier for persons to take up and pursue activities as self-employed persons, the Council will, acting in accordance with the co-decision procedure, issue directives for the mutual recognition of diplomas, certificates and other evidence of formal qualifications.
Safeguard mechanisms (intra-trade)	Art. 115	In order to ensure that the execution of measures of commercial policy taken by a Member State pursuant to the Treaty is not obstructed by deflection of trade, or where differences between such measures lead to economic difficulties in one or more Member States, the Commission may authorize Member States to take the necessary protective measures, whose conditions and detail shall be determined by the Commission. In case of urgency, Member States shall request authorization to take necessary measures themselves from the Commission, which shall take a decision as soon as possible. The Commission may decide at any time that the Member State shall amend or abolish the necessary measure.
Domestic regulations	None	
Subsidies and state aid	Art. 92; Art. 93	Any aid granted by a Member State or through State resources in any form whatsoever which distorts or threatens to distort competition by favouring certain undertakings or the production of certain goods is, in so far as it affects trade between Member States, incompatible with the common market. The Commission, in cooperation with Member States, shall keep under constant review all systems of aid existing in those States and, where appropriate, propose any measures required by the progressive development of by the functioning of the common market.
IPR	None	
Government Procurement	None	
Competition	Chapter 1 of Title V	The EC ensures that that competition in the internal market is not distorted. The followings are prohibited under the Treaty: (a) all agreements between undertakings, decisions by associations of undertakings and concerted practices which may affect trade between Member States and which have as their object or effect the prevention, restriction or distortion of competition within the common market are prohibited under the Agreement (Art. 85); and (b) any abuse by one or more undertakings of a dominant position in the common market or in a substantial part of it (Art. 86)
Investment	Art. 4b; Art. 198	An European Investment Bank has been created under the Agreement. The task of the European Investment Bank is to contribute, by having recourse to the capital market and utilising its own resources, to the balanced and steady development of the common market in the interest of the Community.
General reservations	Art. 48; Art. 223	The right of establishment and the freedom to supply of services may be limited on grounds of public policy, public security or public

		<p>health.</p> <p>The Treaty does not request any Member State to supply information the disclosure of which it considers contrary to the essential interests of its security. Any Member State may take any measures it considers necessary for the protection of its essential security interests which are connected with the production of or trade in arms, munitions and war material; such measures shall not adversely affect the conditions of competition in the common market regarding products which are not intended for specifically military purposes.</p>
Level of Government	Article 3b	The Community shall act within the limits of the powers conferred upon it by the Treaty, and of the objectives assigned to it therein. In areas outside its exclusive competence, the Community shall take action in accordance with the principle of subsidiarity only if and in so far as the objectives of the proposed actions cannot be sufficiently achieved by the Member States and can therefore be achieved by the Community.
Accessions	Art. O	Any European State may apply to become a member of the Union. It will address its application to the Council, which will act unanimously after consulting the Commission and after receiving the assent of the European Parliament, which will act by an absolute majority of its component members. The conditions of admission are subject to an agreement between the Member States and the applicant State.
Dispute resolution	Section 4 Part V	<p>There is a possibility of action between Member States; between the European Commission and a Member State; between a service provider and a Member State or the EC. The latter can take place through national courts in each Member State, the Court of First Instance and European Court of Justice.</p> <p>The Court of Justice and the Court of First Instance, each within its jurisdiction, shall ensure that in the interpretation and application of this Treaty the law is observed.</p>
Relations with other trade agreements	Art. 234	The rights and obligations arising from agreements concluded before the entry into force of the Treaty between one or more Member States, on one hand, and one or more third countries on the other, shall not be affected by the provisions of the Treaty. To the extent that such agreements are not compatible with the Treaty, the Member States or States concerned shall take appropriate steps to eliminate the incompatibilities.
Institutional provisions	Part V	The function of the Community are carried out by the following institutions: the Parliament, the Council, the Commission, the Court of Justice and the Court of Auditors. A European system of central banks and a European Central Bank are also established under the Agreement, together with an European Investment Bank. Each institution acts within the limits of the powers conferred upon it by the Agreement (Art. 5). Detailed provisions are contained in Title V of the Treaty.
Other		The Treaty contains provisions on free movement of capitals and current payments (Chapter 4 of Title III); transport (Title IV); the creation of trans-European networks in the areas of transport, telecommunications and energy infrastructures (Title XII).

**Table 4a: Trade Data (A's imports of services from B)**

Sector	Imports [year of implementation]		
	Value	% of total	
		by sector	Overall
Total			

**Table 4b: Trade Data (B's imports of services from A)**

Sector	Imports [year of implementation]		
	Value	% of total	
		by sector	Overall
Total			

**[Parties please provide data]**