
15. CROSS-BORDER TRADE IN SERVICES

Mexico's main objectives

- Increasing trade in services between the Parties and promoting access of Mexican service providers to the U.S. market, free from requirements that discriminate against them or put them at a disadvantage vis-à-vis their competitors.
- Reaffirming the principles related to trade in services and incorporating disciplines that respond to the environment that prevails in the North American services sector.
- Creating an adequate legal framework that favours greater competitiveness for Mexican service providers and their insertion in global value chains.

Benefits for Mexico

- Increase trade in services between the Parties, allowing Mexican consumers greater access to fully differentiated services.
- Maintain and expand the access that Mexican service providers currently enjoy in the United States market under a legal framework that provides certainty and creates conditions of effective competition.
- Strengthen the legal certainty of Mexican service providers that provide or intend to provide their services in the United States.
- Increase the competitiveness of Mexican service providers and encourage their insertion into global value chains.
- Guarantee respect for the Mexican legal framework, through the lists of non-conforming measures that reflect the current level of openness for the provision of services in Mexico.

Chapter's main provisions

- Includes applicable principles to trade in services such as: National Treatment (**Article 15.3**), Most Favoured Nation Treatment (**Article 15.4**), Market Access (provision prohibiting the imposition of quantitative limitations, economic needs tests) (**Article 15.5**) and Local Presence (provision avoiding the obligation to establish or maintain a representative office or enterprise in a respective territory as a condition for the cross-border supply of a service) (**Article 15.6**).
- Establishes that any measure implemented which affects trade in services will be administered in a reasonable, objective and impartial manner (**Article 15.8**).
- Seeks to support the development of trade in services for the benefit of SMEs (**Article 15.10**).
- Provides that transfers and payments linked to the cross-border provision of a service shall be made freely and without delay (**Article 15.12**).

- The **Delivery Services Annex** sets out the conditions for the operation of postal monopolies when they participate in the courier and parcel market. Postal monopolies may not use their revenues to cross-subsidise another service not covered. It was agreed that the authority responsible for regulating delivery services should not be dependent on any delivery service provider and that its decisions should be impartial, non-discriminatory and transparent **(ANNEX 15-A)**.
- Establishment of a Transport Services Committee, which will be able to include the participation of the private sector **(ANNEX 15-B)**.
- Through the **Professional Services Annex**, relevant bodies will be consulted regarding their interest in establishing a dialogue on qualification, licence or professional registration recognition. The Parties agreed to create a Working Group on this subject **(ANNEX 15-C)**.
- The **Appendix on Mutual Recognition Agreements** provides orientation through practical non-binding guidelines on the type of provisions that could be included in the agreements on mutual recognition of qualifications, licenses or registrations of professionals of the three countries. The purpose of this guidance or guidelines is to facilitate and outline the negotiation of such agreements **(APPENDIX 1)**.
- The **Annex on Programming Services** seeks to ensure that an original transmission from a company in one country of the region is not retransmitted in another country of the region without payment of fees **(APPENDIX 15-D)**.