Trade Policy in Mode 4 Movement of Natural Persons

Dr. Jan P.R. Schmitz
European Commission, Directorate General for TRADE, B1
(Services and Investment)

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Definition of Mode 4

= temporary provision of services through natural persons

(on the basis of a service contract or intracorporate transfer)

- temporary entry only
- highly skilled



External Trade

Mode 4

= temporary provision of services through natural persons

≠ migration!



Mode 4

- = temporary provision of services through natural persons
- **≠ labour market access!**



Mode 4

- = temporary provision of services through natural persons
- ≠ automatic issuance of visas!



Why do developing countries ask the EU to undertake broad commitments under Mode 4?

EU experience from multilateral and bilateral negotiations:

- 1. Seen as one of the possible channels for natural persons to move across borders
- 2. Competitive advantage in labour-intensive service provision (even in higher skill sectors, i.e. India IT, Cariforum nurses)
- 3. Skill-gain instead of brain-drain



Thank you very much for your attention!



External Trade

Biographical sketch – Jan Schmitz

Education:

Master in Economics, University of Cologne PhD in Economics, University of Cologne/ HEC Paris, Thesis: "Societal Trust and Economic Growth (Growth Theory)"

Employment:

Until 2008:

German Ministry of Foreign Affairs, Permanent Representation to the EU (trade policy)

From 2008:

European Commission, Directorate General for Trade, EU trade negotiator for Mode 4 (temporary movement of natural persons