# THE IMPACT AND RESULTS OF MEMBERSHIP OF THE WTO ON THE EDUCATION SYSTEM

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#### **ABSTRACT**

The establishment of the World Trade Organization corresponds to the conclusion reached by the majority of the world's trading countries at the end of the Uruguay Round in April 1994. The WTO is responsible for managing the multilateral trading system. The WTO "General Agreement on Trade in Services" (GATS) requires member states to comply with the following basic rules: all member states enjoy the most-favoured-nation (MFN) regime equally; enterprises of other member states can enjoy equal treatment and market access in the territory of one member state with its local enterprises. The GATS includes a general agreement, an annex and a schedule of obligations. A Schedule of Commitments is a type of document that sets out the obligations that a WTO member will fulfill, or the obligations that a WTO member hopes to be freed from, under the market access and national treatment promoted in the GATS. When a WTO member country undertakes its obligations, it legally establishes market access standards and national arrangements in its schedule of obligations and no longer imposes other measures that restrict market access and national arrangements in trade in education services.

**Key words**: WTO, GATS, Horizontal obligations, Special obligations, trade, education, markets, training system, services, membership.

# 1. Access to the educational services market and national treatment under the GATS

The basic principles of the WTO cover all WTO agreements that form the basis of the multilateral trading system. These principles are:

- 1. Trade without discrimination;
- 2. Freer trade: gradually, through negotiations;

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- 3. Predictability: through enforcement and transparency;
- 4. Development of fair competition. The principle of non-discriminatory trade includes MFN and national treatment. As an important part of WTO trade in services, international trade in education services must necessarily comply with the above principles.

As an important agreement of the World Trade Organization, the GATS includes a general agreement, an annex and a schedule of special obligations. As in other areas of trade in services, when WTO members are negotiating trade in education services, they must make clear commitments on market access and the establishment of national treatment in various areas of education services, and set them out in the schedules. must register. obligations. A specific obligation for educational services is the obligation to provide a national regime for market access and educational services. In making its commitment, a WTO member binds the established level of market access and the national regime and undertakes not to introduce any new measures that restrict market access or the provision of services in the field of education. Thus, specific obligations are a guarantee that market access and operating conditions for educational services or suppliers of educational services of other WTO member states are not changed in their favor.

Access to the educational services market, within the framework of the four methods of providing educational services, WTO member states open their educational markets to other member states, providing them with no less favorable regimes than those clearly defined in the schedules of commitments. means that they reach not to take other restrictive measures. National regime means, within the framework of the educational services sector for which it undertakes obligations, and subject to conditions and qualifications, a WTO Member may grant to other Member States less than the regimes applied by its domestic educational services. means that it provides convenient modes that are not available. or educational service providers.

A Schedule of Commitments is a type of document that sets out the obligations that a WTO member will fulfill, or the obligations that a WTO member hopes to be freed from, under the market access and national treatment promoted in the GATS. When a WTO member country undertakes its obligations, it legally establishes market access standards and national arrangements in its schedule of obligations and no longer imposes other measures that restrict market access and national arrangements in trade in education services.

### 2. The main content of obligations in educational services

As mentioned above, the World Trade Organization divides services into 12 sectors:

1. Business services:

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- 2. Communication services;
- 3. Construction and related engineering services;
- 4. Distribution services;
- 5. Educational services:
- 6. Environmental services;
- 7. Financial services;
- 8. Health care and social services;
- 9. Tourism and travel related services;
- 10. Leisure, cultural and sports services;
- 11. Transport services;
- 12. Not included in other services.

Education services is the fifth of the 12 sectors and is divided into primary education services, secondary education services, higher education services, adult education services and other education services.

The relevant provisions of the GATS on market access and national treatment are the legal basis on which WTO member states can undertake specific obligations on educational services. covers obligations under the national regime vis-à-vis a state. Of the four methods of trade in educational services: these are cross-border supply; consumption abroad; commercial presence; and availability of individuals. This means that for each of the four methods of trade in education services, each WTO member must list individually in its schedule of commitments the restrictive measures it takes against education services from other member states.

The main part of the schedule of obligations on educational services is the main requirements of the GATS on the four methods of trade in educational services, as well as market access, national treatment and possible additional obligations. "As for the four ways of providing educational services, there are three main ways of making commitments.

First, "no limits". This means that the WTO member state undertakes not to apply any restrictive measures to the market entry of foreign educational service providers and to the national regime.

Second, "unbound" means that a WTO member country retains control over trade in education services and has no commitments or obligations. He acts only according to his will.

Third, "restrictions". This means that the WTO member state has listed the details of the national regime in terms of market access restrictions and educational services. In relation to each of the four methods of providing educational services, the WTO member state has also taken specific obligations regarding market access and national regime.

The WTO requires each member state to draw up a schedule of its obligations on education services and to explain market access and national regime restrictions and other restrictions. In the table of obligations, obligations are divided into two sections:

The first is "horizontal" obligations, which impose restrictions on all sectors included in the table, in particular on two methods of providing educational services - commercial availability and availability. natural persons.

Second, specific obligations apply to a specific sector or sub-sector of educational services. Therefore, horizontal obligations are fundamental obligations that apply to all sectors of educational services. Specific obligations are subsequent obligations based on horizontal obligations in relation to specific sectors of education services. They are also intended to clarify the specific commitments made in the four aforementioned ways of providing educational services. The GATS uses the affirmative method of accepting commitments. Therefore, only the obligations specified in the table of obligations should be fulfilled. In the sectors of education services where a WTO member state has not taken any obligations, this member state can decide independently whether to impose any restrictions or not.

If a WTO member country wants to take back what it gave in the previous negotiations, it can change or cancel the commitments in the schedule. However, obligations may be withdrawn or modified only after a WTO Member has reached an agreement on compensatory adjustments with the affected Member States, and no withdrawal or transfer shall take place until three years after the entry into force of the Agreement. cannot be changed. If negotiations do not result in an agreement, any affected WTO member country that believes it is entitled to compensation may apply to arbitration.

3. Common implementation of obligations accepted by various WTO member states in education services

Currently, 44 WTO member states have made commitments on education services. Among them, 32 countries have undertaken obligations on higher education services and adult education services; 30 countries have made commitments on primary education services; 35 countries have made commitments on secondary education services; 32 countries have committed to adult education services; and 20 countries made commitments on other education services.

Among the thirty-two WTO members that have made commitments on higher education services, seventeen countries have made full commitments under the national regime. There are thirteen countries that have made national regime commitments for Article 1 (Transboundary Supply), Article 2 (Foreign Consumption) and Article 3 (Commercial Availability). The two countries have made full commitments to enter the market. Eight countries have made partial commitments on

market access. Thirteen countries have made market access commitments for Article 1, Article 2 and Article 3. Only three countries have made full commitments under Article 4 (presence of natural persons).

Among the thirty countries that have made their commitments on primary education services, seventeen countries have a full national regime for Article 1, 2 and 3, and six countries have a national regime for Article 4. took full responsibility for Eight countries have fully implemented it. Market access obligations for Mode 1, Article 2 and Mode 3. Only the state has made partial commitments under the national regime for market access and Article 4.

Among the thirty-five countries that have made commitments on secondary education services, nineteen countries have made full national regime commitments for regimes 1, 2 and 3. Five countries have made full national regime commitments for four regimes. Two countries have made partial national regime commitments for Mode 4. Twelve countries have made full market access commitments for regimes 1, 2 and 3. The two countries have made partial market access commitments for Mode 4.

Of the thirty-two countries that have made commitments on adult education services, twenty-five countries have made full national regime commitments for regimes 1, 2 and 3. Eighteen countries have made full market access commitments.

Among the 20 countries that have made commitments for other education services, eleven countries have made full national regime commitments for regimes 1, 2 and 3. Ten countries have made full market access commitments for regimes 1, 2 and 3.

In five sectors of education services, developed countries have made more commitments. Primary and secondary education services received more restrictions than higher education services, adult education services and other education services. WTO member states have placed more restrictions on the market entry of educational services than the national regime. Of the four ways of providing educational services, Article 2 (abroad consumption) has the most obligations and Article 4 (presence of natural persons) has the most restrictions.

## 4. Impact of commitments of WTO members on educational services

The obligations of WTO member countries on education services related to their accession to the WTO have a major impact on their domestic education services. While the domestic education service industry of each WTO member is facing many challenges, it has had a rare opportunity to expand the absorption and implementation of foreign education resources and accelerate its development. According to the WTO rules, foreign educational service providers are allowed to enter the education market of each member state, and each member state's educational service institutions are also required to participate in the international education competition. can enter the market.

A comprehensive and scientific analysis of the impact of WTO member obligations on education services will help us seize the opportunity and take the initiative. Based on the commitments made by the WTO member states on educational services, we have identified the main influence on four ways of providing educational services - "Crossborder supply, consumption abroad, we can see that it affects the commercial presence and the presence of individuals.

### 4.1 Cross-Border Supply

Regarding cross-border supply, many educational materials from foreign educational service providers enter the domestic educational market of each WTO member state, including various types of textbooks, audio-video teaching and learning materials, teaching equipment and computer training software. This will have a strong impact on the textbook publishing industry, audio-video publishing industry, educational equipment manufacturing enterprises and software industry of each WTO member country. They have to face direct competition from foreign educational services.

### 4.2 Consumption abroad

In terms of overseas consumption, foreign education providers are increasing their opposition to the education market of each WTO member country and trying to attract more students to their countries to receive education services. does. On the one hand, mass domestic student study abroad has made every WTO member country, especially developing countries, suffer from talent loss and capital flight, and has a major impact on its domestic education services. showed On the other hand, education service providers from each WTO member country can also enter the international education market to compete and attract foreign students.

# 4.3 Commercial Availability

With regard to commercial presence, when entering the market, foreign suppliers of educational services may establish joint schools with counterpart or wholly owned schools of each WTO member state. They can establish joint schools with the educational service institutions of a WTO member state in the form of introduction of foreign educational resources or capital investments. With the rapid development of the world economy, the demand for education is growing steadily. Many foreign educational service providers are trying to capture the education market by entering the domestic educational services market of the WTO member states. These institutions are very competitive in terms of software and hardware. And because of their international background, they are very attractive to students in the era of economic globalization. The educational service providers of each WTO member country have to face tough competition and challenges from foreign educational service providers.

## 4.4 Availability of an Individual

Regarding the presence of an individual, foreign individuals may enter each WTO member state to provide educational services as an individual. And it will not seriously affect the local education services of each WTO member. These foreign individuals help each WTO member to train a large number of high-level professionals and play a positive and facilitating role in improving the quality of education services of each WTO member. In the future, the international flow of individuals among education service providers worldwide will increase significantly. It also increases the exchange between the educational service institutions of each WTO member state and foreign educational service institutions, so that the educational service institutions of each WTO member are increasingly international. On the one hand, this will help the education service institutions of each WTO member state to employ more talented personnel. On the other hand, the current employees of the educational service institutions of each WTO member state have to face high requirements regarding their personal qualities.

#### 5. Summary

Since becoming a member of the World Trade Organization, by participating in international competition and strengthening international cooperation, all member states have accelerated the pace of development in the economy and foreign trade, helped to internationalize the development of education. The positive impact of joining the WTO appeared gradually. Obligations for educational services allow every WTO member country to enter the world market for educational services, have a wider space for development and a new market environment, and participate in the globalization competition in educational services. means to include in . At the same time, educational services from other member states enter the domestic market of each member state, creating fierce competition. Education authorities and providers of education services in each member state must actively face the new situation arising from obligations on education services, strengthen the study and research of WTO rules and actively formulate relevant regulations.

Modern trade in education services is an important part of WTO trade in services and is an emerging and knowledge-based business. The growth of educational services is directly related to the deep development of the modern knowledge-based economy. Since the 1990s, the knowledge-based economy has emerged as a result of the unprecedented development and wide application of modern science and technology, led by information technology. Modern education has played an increasingly important role in society. Educational services are becoming a new business. Western countries have already adopted educational services as an industry. They considered it very important to enter the educational services markets of developing countries. Many

WTO member countries attach great importance to the use of WTO rules and free trade policies to promote higher education and achieve their own goals and interests.

Let's take China as an example: Chinese universities and other educational service providers offer that foreign persons can enter China as individuals to provide educational services. And it will not seriously affect China's local education services. These foreign individuals will help China train a large number of high-level professionals and play a positive and facilitating role in improving the quality of China's education services, thus helping China to develop its education services. In the future, the flow of international individuals among the educational service providers of China and foreign countries will increase significantly. The exchange between Chinese educational service institutions and foreign educational service institutions will also increase, so Chinese educational service institutions will be more and more international. On the one hand, this will help Chinese educational institutions to employ more talented personnel. On the other hand, the current employees of Chinese educational service institutions have to face high demands on their personal qualities.

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