

Seat No.: _____

Enrolment No. _____

GUJARAT TECHNOLOGICAL UNIVERSITY
MBA – SEMESTER 04 – EXAMINATION – SUMMER 2017

Subject Code: 2840010

Date: 01/06/2017

**Subject Name: WTO MULTILATERAL TRADING SYSTEM AND IT'S
IMPACT ON BUSINESS**

Time: 10.30 AM TO 01.30 PM

Total Marks: 70

Instructions:

1. Attempt all questions.
2. Make suitable assumptions wherever necessary.
3. Figures to the right indicate full marks.

Q. No.	Question Text and Option	6
Q.1 (a)	All WTO Member countries become automatically members of 1. A. Plurilateral agreements B. Multilateral Agreements C. Both A & B above D. None of the above All the Government agencies are expected to purchase goods and services on commercial consideration by 2. A. First come first serve basis B. Average number of suppliers or service providers C. Inviting the tenders D. All of the above rationally GATS Rules pre-supposes from member countries 3. A. Transparency B. Non Discrimination C. Promptness & clarity D. A and B both GATS liberalization process affords flexibility of commitments viz. 4. A. Opening of fewer sectors B. Liberalization in fewer transactions C. High tech services only D. A & B both GATS lays down for nature and extent of commitments by member countries the persistent weightage of 5. A. National objective B. Level of development of Individual countries C. Advancement of countries D. A & B both Protection to the domestic service industry is given through 6. A. National revenue mechanism B. Domestic Regulations C. Harsh subsidy discrimination D. None of the above	
Q.1 (b)	(i) WIPO CONVENTIONS ON IPRs-Meaning (ii) Horizontal Commitments- Meaning	04

	(iii)	MFN Treatment – Meaning	
	(iv)	National Treatment Principle - Meaning	
Q.1	(c)	Explain the four modes of supply of services	04
Q.2	(a)	Discuss the Movement of consumers to the country of importation AND Cross Border Movements of service products as a mode of supply of services.	07
	(b)	How and in which form the Commercial Presence in importing country Establishes a mode of supply of service	07

OR

	(b)	What are the international economic factors leading to the growth of the international trade in services	07
Q.3	(a)	Critically discuss the obligations of Transparency, Mutual recognition of the Qualifications for supply of services laid down by GATS Rules	07
	(b)	Explain the difference between Goods and Services for international service transactions	07

OR

Q.3	(a)	Explain comprehensively the principles governing the participation of developing countries in the international trade of services.	07
	(b)	Analyze the type and nature of commitment obligations with the limitations and parameters in the international trade of services	07
Q.4	(a)	What do you perceive by ‘ Schedule of Commitments’ ? Narrate GATS Rules for Horizontal and Sectorial commitments with its provisions Embodied in the GATS Rules.	07
	(b)	Discuss the basic principles and general obligations/pre conditions for Patent with rights of Holders. What are the legal rights of Patent holders for infringements.	07

OR

Q.4	(a)	Explain the nature of Trade Marks, its Utility and international rules on the use of Trade Marks. What are the legal rights of Trade mark holders for infringements	07
	(b)	Explain the WTO System for the settlement of disputes provided in WTO Agreement	07

Q.5	Case Study:	14
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WTO Case Study:

Roberto Azevêdo, Director General, WTO’s Address to CII India on 9th February 2017: Excerpts:

I am very pleased to join you on my fourth visit to India as WTO Director-General. And I have to say that few places are as dynamic and vibrant as India...

India is now the fastest growing G20 economy, with GDP growth forecast at 7.2% in 2017. And there are strong signs that the country will continue on this path. India’s commitment to stimulate growth and lift up the poorest and most vulnerable is quite evident and must be praised.

India is carrying out a wide range of reforms to improve and strengthen institutions. The demonetization initiative to help formalize the economy is an obvious example. Tax reforms will also render India an even more attractive destination for investments, besides leading to gains in scale and more effective supply chains.

India is also working to upgrade its infrastructure and has created programmes to improve the business environment....

The World Bank's "Doing Business Report" last year reflects the challenges before the economy. But it shows the progress that is being made. India's indicators on Getting Electricity, Paying Taxes, Trading across Borders and Enforcing Contracts have sharply improved.

In the World Economic Forum's Global Competitiveness Index, India jumped up 16 places last year, now ranking 39th out of 138 countries...

The WTO expects the final figure for trade growth in 2016 to be around 1.7 per cent. This would mark the slowest pace of trade growth since the financial crisis. For 2017, our studies suggest that trade will grow between 1.8 and 3.1 per cent. This is largely due to the lackluster performance of the global economy...

While this is often the case when global growth is slow, we must emphasize that turning to protectionism would not solve the problems before us — it would make them worse. Raising barriers to trade would hurt us all, and dampen the prospects of growth everywhere — including here in India...

The impact of new and more advanced technologies on employment and manufacturing is much more significant. Studies suggest that around 80% of job losses are due to technology and innovation...

We all know that technological progress and higher productivity is indispensable for sustained growth and development. India is seeing the transformative potential of technology, with IT goods and services becoming increasingly important for the economy.

Members took a further set of decisions on agriculture in 2015, including a recommitment to advance work on an agricultural special safeguard mechanism and a deal to abolish agricultural export subsidies.

In fact, eliminating these export subsidies is the biggest reform in global agriculture trade for 20 years. This was actually one element of the UN Sustainable Development Goal on Zero Hunger. So it is a big achievement that we delivered just three months after the goals were agreed in New York!

In addition, a group of members struck a deal to eliminate tariffs on a range of new generation Information Technology products. Trade in these products is worth around 1.3 trillion dollars each year. That's bigger than global automotive trade.

Our next Ministerial Conference is in Buenos Aires at the end of this year. That could be an important opportunity to make further progress in our talks...

Many of the issues being discussed are of key importance to India.

For example, several papers have been submitted in the area of domestic support in agriculture. The ideas put forward here still haven't been able to bridge the existing gaps. However, these ideas are being intensely debated and we must do our best to get outcomes in this area in Buenos Aires.

On other fronts, as mandated by ministers, work is ongoing to find a permanent solution on public stockholding. We have a clear and mandated deadline for finding a solution by the Ministerial Conference at the end of the year. We must redouble our efforts to meet this deadline.

Work is also ongoing on a Special Safeguard Mechanism for developing countries, which would help deal with import surges or price declines of food products that can harm domestic production. There is strong support for this, particularly from developing countries that are net food importers.

If we are to be successful on all these issues, members must step up their efforts. I will do all I possibly can to drive this forward — but progress is in the hands of members. We must shift gears and intensify the work to deliver on these matters. India's leadership will be critical to help advance these debates.

There have also been interesting discussions on services, with India taking a leading role. The paper that India has put forward on "Trade Facilitation in Services" is a very welcome initiative. For a long time, negotiating efforts have focused on other areas. However, there seems to be a growing appetite from members to advance conversations here.

For the great majority of countries the services sector accounts for the greatest share of domestic production and employment. Therefore services have become a key part of trade policy and an essential tool of economic development and connectivity.

In India, commercial services represent 36 per cent of total exports, making the country the fifth largest exporter of services globally.

So I think it is very positive that members want to do more in this area.

India's paper on "Trade Facilitation in Services" puts forward a number of ideas to support the flow of trade in services. For example, it includes suggestions for:

- Provisions to facilitate movement of persons;
- Measures to support consumption of health services abroad;
- Facilitation of cross-border information flows;

- Cooperation among competent authorities; and
- Development provisions and technical assistance.

This takes on some challenging issues — but I welcome that ambition. Taking this forward will require further efforts to engage, clarify and explore possibilities with a range of partners. I have no doubt that India will continue to take these conversations forward. And I look forward to discussing how to advance this issue with Minister Sitharaman when we meet later today.

Of course, the WTO Secretariat will be pleased to continue supporting India on this and on other initiatives.

Beyond this, some members have been talking about a number of other issues, such as:

- How to help smaller companies to trade,
- Steps on investment and investment facilitation, and
- How to harness the power of e-commerce to support inclusiveness and to help connect small suppliers, including looking at how to improve connectivity infrastructure in developing countries.

Working together, I am sure that we can continue paving the way for India's "bold advance".
Thank You.

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QUESTIONS:

1. In your views, discuss with initial remarks of WTO Director General on India. **(3 Marks)**
2. What is the role of technological progress and innovation on productivity? **(3 Marks)**
3. Discuss with key issues of India related to its role in WTO. **(4 Marks)**
4. What are the key milestones of WTO on Services Trade? Explain with example. **(4 Marks)**