Role of Multilateral and Regional Disciplines in Services Trade Liberalization: The Case of Romania's Banking Services

Ana Bobircă
Paul Gabriel Miclăuş

The paper indicates that, on one hand the EU was used by Romania more as a commitment device for service sector policy reform then the WTO agreement (GATS) and, on the other hand, that even if Romania has attained a high degree of services trade liberalization, as well as a significant degree of integration with the European market - illustrated on the case of banking services, it still has to undertake some efforts towards dismantling impediments to the supply of services and towards good governance of service markets.

Key words: *WTO (GATS), EU, Romania, banking services, restrictiveness index*

Introduction

Romania, like other Eastern European countries that were formerly saddled with centrally planned economies, remained largely unaffected by the dynamic growth of the service sector in the EU (where services account for more than two-thirds of employment and GDP) until it undertook market reforms. Dynamic and deep structural changes towards the modernization of the service sector, the expansion of international trade in services and better regulation of individual service sectors (e.g. banking and insurance, transport, telecommunications) have become major drivers of the service sector growth and important elements of the reform process in the country.

Privatization, domestic liberalization and external opening, underpinned by the use of multilateral trade agreements (such as GATS, i.e. General Agreement on Trade in Services) and other regional liberalization mechanisms (such as EU accession) as focal points for policy reform, enabled Romania to partially overcome the backwardness of its service sector.

Changes in the regulatory environment in Romania were related to the speed of integration in the world economy through international relations (World Trade Organization - WTO, GATS) and, in particular, to the EU accession processes. The latter gave considerable impetus to regulatory reforms and institutional change in Romania.

Both multilateral commitments within the GATS and EU-related rules have played a similar role. They contributed to the quality, transparency and coherence of the legal and regulatory system, as well as its efficient enforcement. They have also helped national authorities maintain a trade liberalization policy stance against domestic protectionist pressures. However, regulatory guidelines are generally less developed in the multilateral context than in the regional framework. Also, the accession process did not only put the adoption of the EU regulation (*acquis communautaire*) at the top of a political agenda, but has also brought about a regular monitoring mechanism that controlled the adoption and implementation of regulation.

As a result, regional disciplines embodied in the European Association Agreement (EAA) and those resulting from the adoption of EU regulations have exerted a stronger impact on individual service sectors in Romania.

The question explored in this paper is the extent to which the EU was used more as a commitment device for services trade liberalization in

Romania then the WTO agreement (GATS), based on a comparative assessment of the restrictiveness of services trade barriers in relation to EU regulations and, respectively, to GATS disciplines, illustrated on the case of banking services.

A common argument in the literature on regional integration and trade agreements, more generally is that a rationale for participating in such agreements is to improve the terms of trade (Bagwell & Staiger 2003). This has always been more difficult to argue in the case of transition countries, where an alternative, political economy-based hypothesis is more likely: trade agreements offer a mechanism for governments to signal their commitment to a particular policy path (Tumlir, 1985). Transition economies in particular, with a very limited track record on maintaining an open policy stance, can be expected to have had strong incentives to use membership of trade agreements for such credibility purposes (Hoekman & Eschenbach, 2006). In addition, in Romania's case, given the very limited experience with market-based service sector policies, trade agreements may also have been valuable by establishing a template of (minimum) standards for trade and investment policy in the services area.

There is so far little research and empirical analysis on the evolution of transition economies' trade in services and on the nature and extent of restrictions on trade in services, especially for Romania and from a twofold perspective. This neglect has to do both with the lack of data and with the poor appreciation of the importance of trade in services in transition economies.

The main objective of the paper is to contribute to the narrowing of this gap by exploring the shifts in the evolution of services in Romania, in relation to EU accession, and relate these to the policy reforms that have influenced the supply of services and improved the functioning of services markets, illustrated through the measurement of services trade barriers, with banking services as an example.

Taking into account that the services sector recently assumed dominant position among economic activities in Romania, bearing heavily on economic development (Francois & Reinert, 1996), it becomes important to explore and discern the tendencies in services trade, aspects dealt with in the first part of this paper. The characteristics of existing regulatory framework in the services sector are addressed in the second part of the paper. These are important especially in view of the need to accommodate EU policies to better serve Romania as a member state and, thus, to shape a more "services inclusive" regulatory environment, in order to ensure faster and more efficient integration of the services market into the European economy. To this end, the third part addresses the methodologies used for measuring services barriers. To maximize the benefits from multilateral and regional negotiations, it is important that governments know what the major barriers to services trade are. Against this background, the fourth part of the paper focuses on the methods used to measure the level of restrictions in banking services in Romania, in relation to both WTO and EU-related policies. The main challenge here is the transformation of available, essentially regulatory measures characterizing services into quantitative information, on the basis of an index methodology which allows for comparisons across time, different service sectors and countries. Based on the information from the above, we conclude that a flexible approach to shaping the regulatory setting and a continuing decrease in the impediments to service activities on the Internal market, coupled with a thorough enforcement of the transposed legislation constitute major challenges for new and old EU Member States to cope better with the emerging trends in the international economy.

Shifts in the Evolution of Services in Romania

a. Key facts

In recent years, transition economies, including Romania have had to overcome a major handicap, as the share of the service sector in their national economy was generally lower than in other countries at a similar level of development. In addition, their participation in world trade in services was way below their potential.

Available data show that during the last sixteen years the contribution of the service sector to GDP and employment has grown quite rapidly in Romania. Compared with the high-income OECD average in 1990, when the share of services in employment and GDP was around 63%, Romania clearly lagged far behind: services accounted for under 30% of GDP and employment. As of 2003, these services shares had increased substantially, reaching 45% of GDP (with 51% in 2006) and around 40% employment (with 44% in 2006) - as compared to 68% OECD average and around 70% in the EU (National Institute of Statistics, 2006).

Services had the highest contribution to the increase in GDP in 2006 (3.6%, out of 7.4%), as well as the highest contribution to gross value added formation (59%).

While in most transition economies the increase in services mainly reflects the growth of traditional services, such as wholesale and retail trade activities, travel and urban transportation, in Romania, as well as in Bulgaria, the importance of other services sectors, such as business services is rising, suggesting that these countries are beginning to develop the modern services link.

As it is the case with the share of GDP attributed to the services sector, trade in services in Romania has become increasingly important, reflecting the level of market liberalization and progress in transitional reforms.

Romania's share of EU-25 trade in services is only 0.7% (4.5 mld. EUR in 2004), as opposed to 1.62% for the share of EU-25 merchandise trade with Romania (32.188 mld. EUR in 2004).

In 2003, Romania registered trade surplus in services (70 mil. USD). The situation changed in 2004, when Romania completed the list of countries with deficits from trade in services (265 mil. USD) and remained like this ever since.

Services exports as a share of GDP more than doubled for Romania on average since 1996. This development is not exceptional, in that the ratio of service exports to GDP (about 8%) has simply been converging toward that found in other parts of the world (Broadman, 2005). Thus, this can be seen as one dimension of the transition to a more market based economy. A similar pattern can be discerned on the import side—a process of convergence on the part of Romania toward the pattern that already prevailed in the EU-8 and the EU-15 (about 8.7%).

Romania is still not heavily dependent on services as a source of foreign exchange - its share of services in foreign exchange receipts decreased from 16% in 1996 to 13% in 2004, with a relative increase, though, in "transport services" and, more importantly, in "other services" (from 29.5% in 1996 to 45.4% in 2004, as percentage of all services contribution).

Given that services trade often requires proximity between service providers and consumers, FDI is an important mode for the international supply of services. The stock of FDI in services in Romania is of about 45% (as compared to over 60% in the EU-25). In general, the EU-15 generates about 72% of inward FDI in Romania, out of which about 78% in services (Vienna Institute for International Economic Studies, 2004).

The pattern that emerges is similar to that suggested by the services trade data - there is a distinct difference between the EU-15 states and Romania in that the former have attracted much larger flows of services FDI. Given that FDI in services can be expected to be associated with new technologies, higher service standards, and more effective delivery, these inflows help to explain both the higher labor productivity performance in services and the aggregate growth performance of these countries.

b. Major findings

- The analysis shows that, while still lagging behind the developed economies, the trend towards a service-oriented society is observable also in Romania. This is reflected by the increasing proportion of GDP attributable to services and the growing share of employment in services sectors, comparable to those of more advanced transition economies in Central and Eastern Europe, EU members.

- The analysis of balance of payments data in Romania shows that international trade in services has gained increasing recognition in the last decade as a contributor to economic performance, though admittedly from relatively low bases.

- While services trade represents 13.5% of Romania's international trade, it amounts to 26% of EU-25 international trade and only one-fifth of intra-European trade. The lower level of trade in comparison with the larger output share for the EU states is likely to be correlated with the respective regulatory environment.

- Service trade flows Romania-EU-25 and within the internal market are still relatively small in comparison with manufacturing trade. 58% of Romania's services trade is conducted with EU-25 countries, while in the case of merchandise trade, the percentage is 72%, suggesting a lower degree of integration than that attained for merchandise trade, due to the multitude of regulatory barriers that constitute a significant impediment to services trade.

- While services represent only 13% of Romania's exports, the structure of Romania's exports towards EU-25 countries is slightly different, suggesting a higher propensity to export services towards this group of countries (Romania's services exports represents approximately 16.5% of the total exports with the EU-25), reflecting the more advanced liberalization measures that are being implemented as a result of EU accession.

- The level of FDI in services sectors suggests that this form of services transactions is becoming increasingly important. Data on the sectoral distribution of FDI reveal that manufacturing is loosing its position as the largest host sector to the services sector. By contrast, outflows remain at low levels. The experience of the more advanced transition economies shows that the liberalization and privatization programs largely explain the FDI inflows. Attracting FDI and implementing investment disciplines in services sectors as a means of encouraging greater volumes of services trade are the result of enhanced cooperation among Romania and EU countries, leading to further integration of its market into the EU services market.

2. Trade Barriers in the Intra-EU Services Market

The special characteristics of services, such as their intangible nature, the high prevalence of regulatory intervention to avoid market failure and achieve non-economic social benefits, the requirement for proximity between producers and consumers and the factor-mobility associated with their trade determine the nature of restrictions in services trade.

Services are much more vulnerable to cross-border barriers within the enlarged European market than goods, since service delivery often requires the presence of service providers in the country where services are delivered. In the case of service provision, it is often the provider himself, his staff, his equipment and material that cross national borders. As a result, barriers that inhibit international transactions with services affect all stages of the business process: the establishment of firms, the use of inputs, promotional activities, distribution forms of a service, the sales process itself, and the after-sales organization.

The restrictions to international services transactions typically take the form of non-tariff barriers and are designed to limit not only the access of foreign services, but mostly the access of suppliers or consumers to the domestic market. Foreign service providers are often confronted by national regulations such as requirements for additional professional qualification, local residence of management, additional professional insurance, and constraints on the use of inputs from their country of origin. Sometimes, regulatory procedures and their application are not transparent, thus creating uncertainty for foreign service providers. The heterogeneity of national regulations increases trade and investment costs for service providers doing business in other countries. Policy heterogeneity in itself acts also as a trade barrier (Kox & al, 2004).

From a multilateral perspective, and given that the GATS constitutes the generally recognised framework for analysing trade in services, a general classification of the services barriers following the GATS categorisations is in order. Conventional non-tariff instruments of trade policy like quantitative restrictions, price based instruments, licensing or certification requirements, discriminatory access to distribution and communication systems are imposed especially on services providers and classified in the GATS in two main categories relating to: market access - measures which restrict the contestability of markets and national treatment - policies which discriminate between domestic and foreign suppliers to the advantage of domestic providers.

From a regional perspective and in order to take stock of cross-country barriers to services expansion, the European Commission has made a comprehensive inventory of the internal market barriers and discovered that many companies find it difficult - or even impossible - to establish in other member states. Member States often have little confidence in the quality of future member states and even in each other's legal regimes and are reluctant to adapt their own regimes where necessary to facilitate cross-border activities. There are examples of companies who had found it easier to open a subsidiary in some of the new member states than in the EU-15. Most companies still "think national" and often do not consider growth across national borders, even if their services are not specifically designed for the domestic market and could potentially be exported. There is a lack of trust and a natural resistance to deal with habits in other current or future member states and there is still a lack of "thinking European".

3. Methods for Measuring Services Trade Barriers

The service sector is becoming the largest and most important sector in all countries of the enlarged Europe. Not only do economies derive the bulk of their employment and income from services, but many services – financial, telecommunications and transport – are vital intermediate inputs for the production of other goods and services. The efficiency of this sector is crucial for the efficiency of the overall economy.

Restrictions on trade in services impose costs, usually in the form of higher prices for businesses and consumers. Restrictions limit domestic and international competition, decrease efficiency and permit incumbent service suppliers to charge prices above those in a competitive market. Estimating the extent to which restrictions increase prices or impede competition crystallises the benefits of removing restrictions for consumers, policymakers and trade negotiators.

Measures of the costs of services protection are also useful in multilateral and regional trade negotiations. Negotiators can use measures of restrictions to illustrate the costs of maintaining restrictions. Therefore, these measures constitute useful complements to the more extensive qualitative description on the regulatory framework.

Measurement of services barriers is based upon research on the measurement of non-tariff barriers affecting goods trade. The available methodologies seek to measure two main aspects, the *level* of restrictions in services and the *effect* of such restrictions.

There have been significant improvements concerning the methodologies for measuring *the level of services restrictions* since the pioneering work undertaken by Hoekman (1995) that was based exclusively on GATS schedules and did not take into account the actual impact of different restrictions.

Several recent studies have tried to overcome these initial limitations. In general, these studies have relied on more comprehensive qualitative databases of measures affecting trade in services and developed sophisticated weighting methods to assess the restrictiveness of different measures (McGuire & Schuele, 2000; McGuire & al, 2001; Nguyen-Hong, 2000). The classification and assessment of weights take into account information on types of barriers and their likely relative economic impact. This information is derived from the GATS schedules and from various other qualitative studies.

In parallel, the methods to measure *the effects of services restrictions* have also been improved. For example, within the research project conducted by the Australian Productivity Commission, the impact of services restrictions on price or quantity have been determined for banking services (Kalirajan & al, 2001), maritime services (Kang, 2001), telecommunication services (Warren, 2001), distribution services (Kalirajan, 2000) and professional services (Nguyen-Hong, 2000). A more detailed analysis of these methods is provided in the OECD publications (OECD, 2003).

In general, transition countries have not been covered by these different studies. Therefore, this paper employs one of the outlined methodologies to estimate the progress in the liberalization of banking services in Romania. The comparison of services barriers at multilateral and regional level can bring some insights into the assessment of various reform strategies and contribute to further research on relevant analytical instruments.

4. Assessing the Restrictiveness of Trade Barriers in Romania: The Case of Banking Services

a. Conceptual issues – the research method

The nature and extent of restrictions on trade in services and of government regulation for a particular service can be quantified using a *trade restrictiveness index*, one of the most advanced methods existing at this stage, developed by OECD, that concentrates a large amount of qualitative information about restrictions and converts them into comparable quantitative information (among sectors and across time). The more restrictions and the greater their severity, the more restrictive an economy is judged to be under the index. A trade restrictiveness index score can be calculated for each sector of an economy. Restrictions that are common to a number of economies (horizontal sectoral analysis) are grouped into restriction categories. Scores are then assigned to each restriction on the basis of a judgment about how stringent it is. The more stringent the restriction, the higher the score will be. Scores range from 0 to 1.

The specific aim of this section is illustrate this methodology and determine the restrictiveness index for banking services in Romania. The reason for selecting this services sector is that its significance is being increasingly recognized among economists. It is not only an important service industry in its own right, but it is also a critical support element for other service industries. Services such as banking, telecommunications and transport are major inputs into the production of goods and services including agriculture as well as manufacturing. The costs of these inputs can account for a major share of the total cost of production, and are thus important factors affecting the competitiveness of firms. This explains why banking policies have occupied a central position in the economic development of nations. There is broad international agreement that these policies should be based on a fair competitive environment and, thus, many countries have undertaken significant liberalization of their banking sectors.

The restrictiveness index for banking services mirrors the classification of trade barriers used by the General Agreement on Trade in Services (GATS). More specifically, it distinguishes between the barriers that affect services delivered via commercial presence (FDI) and those that affect ongoing operations or, in GATS terms, other modes of delivery (cross-border trade, consumption abroad and the movement of natural persons). Moreover, barriers impeding the market access (MA) of any new entrants, domestic or foreign, are distinguished from those that discriminate against foreigners, corresponding to restrictions on national treatment (NT). Table 2 describes in more detail the five components of the restrictiveness index for banking services and indicates their values and weighting for Romania.

Table 1. The banking services restrictiveness index, 2007

Component	**Summary Description**	**GATS**	**UE**
Section 1: Economic Issues	This section of the restrictiveness index provides an overview of the market in terms of structure, sectoral characteristics, and performance indicators.		
Section 2: GATS-related issues	**Average score**	**0.16/1**	**0/1**
Cross-border transfer			
Section 2: GATS-related issues	**Average score**	**0.5/1**	**0/1**
Consumption abroad			
Section 2: GATS-related issues	**Average score**	**0.12/1**	**0.068/1**
Commercial presence			
Section 2: GATS-related issues	**Average score**	**0.125/1**	**0.05/1**
Presence of natural persons			
	Trade Restrictiveness index	**0.226/1**	**0.0295/1**

Section 3: **Regulatory and institutional aspects**	**Regulatory and institutional restrictiveness index:** legal and policy environment (transparency and predictability), regulatory and institutional aspects, commitments under "*Understanding on commitments in financial services*"	**0.176/1**	**0.027/1**
Total index	The scores reflect a subjective assessment of their relative importance in terms of producing competitive outcomes in banking services	**0.201**	**0.028**

Source: own calculations based on OECD methodology
Note: indicators included in section 1 do not have a contribution to the calculation of the index; they provide an indication of the general economic environment in the sector and a more a consequence of trade policy then its determinant

b. Research results – role of multilateral and regional disciplines in services trade liberalization

Both in the context of EU accession and as a GATS member, Romania has strived to reform and adapt policies and regulatory regimes for service industries. Table 1 provides the results for the individual policy components, as well as the un-weighted scores of these components for Romania, both in relation to the GATS and to the EU as liberalization mechanisms, summarized in an index that measures the *restrictiveness* of the banking sector.

The information was collected from the relevant institutions (banks) and regulatory bodies in the field (National Bank of Romania) as well as from additional sources on information such as the GATS schedules of commitments, reports produced by international organizations, sectoral laws etc.

The results obtained confirm both the assumption that the recent progress in Romania's trade policy reform is due, to a large extent, to its process of EU accession and less to its WTO membership, as well as the statistical evidence that there is a trade diversion effect from the rest of the world to the EU (and, similarly, a trade creation effect towards the EU) with respect to Romania's foreign trade in services.

Romania's participation in the European Association Agreement (EAA) has proved to be a more far-reaching initiative than its GATS membership, providing a framework for the gradual integration into the EU. The EAA provisions cover a large number of areas and disciplines, which go beyond current international disciplines, including in the area of services. They entail gradual liberalization in cross-border supply of services, the right of establishment of EU firms, national treatment in setting up operations of subsidiaries and branches of EU companies, as well as temporary movement of specified categories of natural persons.

The main difference between commitments in the GATS and those in the accession process is the preferential character of the latter. GATS commitments apply to all WTO members in a non-discriminatory way, while concessions within the EAA are granted only to the parties to the agreements and therefore represent derogation from GATS rules enabled by Article V of the GATS on Economic Integration. Exemptions to MFN treatment by Romania and other EU candidate countries reflect their commitments in the accession process and also reciprocal provisions in bilateral agreements, signed essentially with EU countries. As the EU candidate countries progress in their legal and regulatory rapprochement leading to their integration to the EU, their positions in on-going WTO negotiations are to be harmonized with the EU global negotiating position, including in the GATS context.

The estimates of the restrictiveness index for banking services in Romania, computed for the year 2007 and taking into account the regulations in force at that moment indicate a high degree of liberalization of the market for these services, as well as a high degree of integration with the European market (2.8% restrictiveness in relation to EU countries as opposed to 20% in relation to WTO members). Banking services have undergone the most far-reaching restructuring. As a result, these services in Romania now exhibit many similarities with the EU banking system

Reflecting a rather liberal trade regime of banking services shown by the restrictiveness index, the results for Romania reveal only a limited impact of the remaining restrictions on the prices of these services. The market is generally contestable, with a few discriminatory regulations against foreign entry, lines of business (non-discriminatory) and the permanent movement of people (discriminatory). Thus, the policy priorities for the banking sectors in Romania would appear to be related to the broad issues of macroeconomic stability and structural reform.

5. Concluding remarks

From the above analysis it has become evident that the acceptance and implementation by Romania of EU regulatory disciplines, particularly explicit in the analyzed sector (i.e. banking services), have decisively influenced the pace and considerable depth of services liberalization, with GATS being less relevant as a lock-in mechanism.

Several factors explain why the EU accession process, based on the acceptance of the EU rules and disciplines has played such a key role. First, the adoption of the EU regulations has been a high political priority in Romania, as a candidate country. Second, the EU commitments cover a larger spectrum of disciplines than GATS obligations and, in contrast to the multilateral system, they encompass stricter regulatory guidelines: while the GATS provides relatively limited guidelines for domestic regulations, the EEA embodies more precise regulatory guidance, and this process has been further strengthened within the framework of the pre-accession process, implying the adoption of EU regulations, embodied in the EU *acquis,* that imposes a detailed and compelling blueprint for the regulatory and institutional framework, which is to be achieved within agreed deadlines. Finally, the EU accession process relied on a regular and efficient monitoring mechanism that controlled the progress made in adopting the requested disciplines.

The fact that the quality of banking services is of pivotal importance to developing countries has been widely acknowledged. Thus, further improvement of the regulatory measures in Romania and the other transition countries, and continued harmonization with EU standards in the banking sector are essential in order to increase the gains from trade and foster the integration of the these countries in the European economy.

Notwithstanding major progress and fairly accomplished market reforms, Romania still has to undertake some efforts towards dismantling impediments to local and foreign suppliers of services, enforcing the already transposed legislation, as well as towards good governance of service markets. As it recently become a EU member, this could be done in parallel with the EU efforts to encourage the Internal Market for services.

The driving force behind trade liberalization and regulatory convergence, though, should not only be the EU membership status, but also the ambition to compete in the international markets, which are institutionally linked through WTO membership.

References:

Bagwell, K. & Staiger, R. (2002), "The Economics of the World Trading System" Cambridge, MA: MIT Press;

Broadman, H. (2005), "From disintegration to reintegration: Eastern Europe and the former Soviet Union in International Trade", World Bank Report, Washington D.C.;

Dihel, N. & Kalinova B. (2004), "Services barriers and their economic impact: examples of banking and telecommunication services in selected transition economies", OECD Trade Policy Working Paper No.7, OECD, Paris;

Eschenbach, F. & Hoekman, B (2006), "Services Policies in Transition Economies: on the EU and WTO as commitment mechanisms", CEPR Discussion Paper no. 5626;

Eschenbach, F. (2005), "Services Policy Reform and Commitments in Trade Agreements: an Analysis of Transition Economies", Groupe d'Economie Mondiale, Paris;

European Commission & Copenhagen Economics (2005), "Economic Assessment of the Barriers to the Internal Market for Services";

European Commission (2002), "Report from the Commission to the Council and the European Parliament on the State of the Internal Market for Services", COM (2002) 441 final, Brussels;

Francois, J. & Reinert, K. (1996), "The Role of Services in the Structure of Production and Trade: Stylized Facts from a Cross-country Analysis", CEPR Discussion Paper no. 1228;

Hardin, A. & Holmes, L. (1997), "Services Trade and Foreign Direct Investment," Staff Research Paper, Industry Commission. Canberra: Australian Government Publishing Services;

Hoekman, B. & Kostecki, M. (2001), "The Political Economy of the World Trading System", Oxford: Oxford University Press;

Hoekman, B. & Messerlin, M. (2000), "Liberalizing Trade in Services: Reciprocal Negotiations and Regulatory Reform" in "GATS 2000: New Directions in Services Trade Liberalization", ed. Pierre Sauvé and Robert M. Stern, Washington, DC: Brookings Institution;

Hoekman, B. (1995), "Assessing the General Agreement on Trade in Services", World Bank Policy Research,.Discussion Paper 307, Washington, DC;

Hunya, G. & Stankovsky, J. (2004), WIIW-WIFO Database on FDI in Central and Eastern Europe, Vienna Institute for International Economic Studies, Viena;

Kalirajan, K., McGuire, G., Nguyen-Hong, D. & Schuele, M. (2001), "The Price Impact of Restrictions on Banking Services," in Christopher Findlay and Tony Warren (eds.) "Impediments to Trade in Services: Measurement and Policy Implications", New York: Routledge;

Kalirajan, K. (2000), "Restrictions on Trade in Distribution Services," Productivity Commission Staff Research Paper, Ausinfo, Canberra;

Kang, J-S. (2001), "Price Impact of Restrictions on Maritime Transport Services," in Christopher Findlay and Tony Warren (eds.) "Impediments to Trade in Services: Measurement and Policy Implications", New York: Routledge;

Kox, H., Lejour, A. & Montizaan, R. (2004), "The free movement of services within the EU", CPB Document No. 69, http://www.cpb.nl/eng/pub/cpbreeksen/document/69/doc69.pdf;

McGuire, G., Schuele, M. & Smith, T. (2001), "Restrictiveness of International Trade in Maritime Services," in Christopher Findlay and Tony Warren (eds.), "Impediments to Trade in Services: Measurement and Policy Implications", New York: Routledge;

McGuire, G. & Schuele, M. (2000), "Restrictiveness of International Trade in Banking Services", Australian Productivity Commission, Commission Staff Research Paper, Canberra;

National Institute of Statistics (2006), Romanian Statistical Yearbook, Bucharest;

Nguyen-Hong, D. (2000), "Restrictions on Trade in Professional Services", Australian Productivity Commission Staff Research Paper, Ausinfo, Canberra;

OECD (2003), "Barriers To Trade In Services In South Eastern European (SEE) Countries", CCNM/TD/SEE(2003)/4, Paris;

OECD (2001), "OECD Economic Studies No. 32", Special Issue on Regulatory Reform, Paris;

Stare, M. & Zupancic, S. (2000), "The Pattern of Internationalisation of Services in Central European Countries", Services Industries Journal, vol. 22, No. 1, January, p. 77-91;

Tumlir, J. (1985), "Trade Policy in Democratic Societies." American Enterprise Institute, Washington, DC;

UNCTAD (2005), UNCTAD Hanbook of Statistics On-line, www.unctad.org;

Warren, T. (2001b), "The impact on output of impediments to trade and investment in telecommunications services," in Christopher Findlay and Tony Warren (eds), "Impediments to Trade in Services: Measurement and Policy Implications", New York: Routledge.

Ana BOBIRCĂ, Senior Lecturer, Ph.D., Departament of International Business and Economics, Academy of Economic Studies, Bucharest.

Paul Gabriel MICLĂUŞ, Senior Lecturer, Ph.D., Departament of International Business and Economics, Academy of Economic Studies, Bucharest.