Foreword by the Lord Mayor of London

Financial and corporate services are a vital conduit for trade and investment both across the Commonwealth and around the world. At a national level, these sectors are already the largest employers and key drivers of growth in many Commonwealth countries. It is the global nature of this sector, however, that makes trade in services such a vital engine for global prosperity. With the UK the world's leading exporter of financial services, and the City of London its heart, we know this all too well.

Looking back, global trade in services has proved more resilient to recent economic shocks than trade in goods. Looking forward, and in these uncertain times for the international rules-based system, we may come to rely increasingly on cross-border services as the foundation of global prosperity. It is vital, therefore, that we develop environments that encourage increased services trade while protecting the consumer and global economy.

Building an evidence base is the first step to making good policy. By shedding new light onto existing restrictions to services trade, this report plays a vital role in identifying barriers to commerce in two of the Commonwealth's most important markets. I look forward to this work starting a conversation on potential policy responses and am enthusiastic about continuing these discussions when I visit Kenya in October 2019.

I am also encouraged that this report's call for greater understanding on the contribution of services exports in other sectors, and the ability of services to support structural change, income growth and development. Back in April 2018, we were delighted to co-host the Commonwealth Business Forum (CBF) in the City of London with this very aim in mind: highlighting the value of services in supporting the Commonwealth's ambitious development agenda.

This report underlines the importance of regulatory coherence across Commonwealth countries in reducing barriers to trade, much of which appears to have taken place outside formal trade agreement frameworks. As we imagine a future global framework for services trade, we are conscious that formal trade agreements are one of several ways to boost trade and investment. Developing mechanisms to foster cooperation, much of which could build on historic institutional and legal similarities, could be just as impactive and maybe more so.

The 2018 CBF generated momentum around the existence of a 'Commonwealth Advantage': the benefits of a shared language, similar institutions and common legal and regulatory systems mean that intra-Commonwealth trade costs are already 19 per cent lower than the global average. Combining the new intelligence this report provides with innovative thinking around how best to harness this 'Commonwealth Advantage' could yield powerful results.

To summarise, I am delighted to have the opportunity to comment on this important work and to praise all those whose hard work has made this possible. My role as Lord Mayor is to promote the value of services as a global good. I can only thank the Commonwealth Secretariat and OECD for making my job much easier!

The Rt Hon The Lord Mayor
Alderman Peter Estlin