

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

RESTRICTED

MTN.GNS/W/25/Corr.1*
4 November 1987

Special Distribution

Group of Negotiations on Services

COMMUNICATION FROM MEXICO

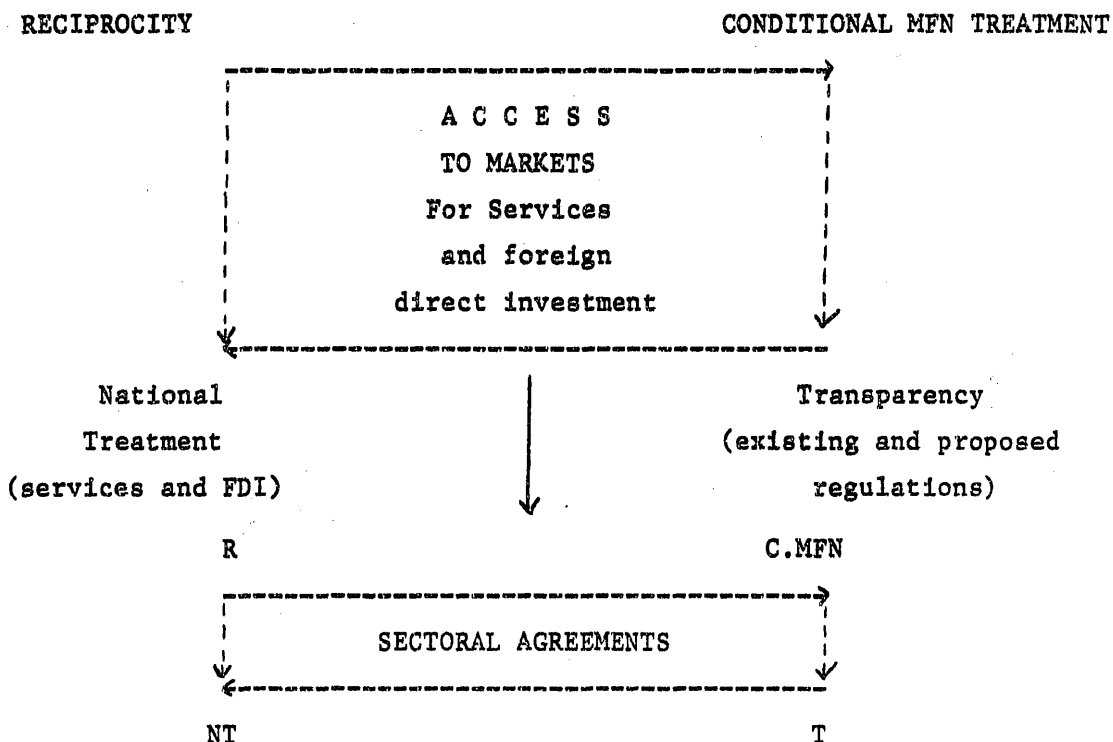
Preliminary Comments on Non-Discrimination,
National Treatment and Transparency

Corrigendum

Please replace pages 4 and 5 of document MTN.GNS/W/25 by the attached:

* English and Spanish only.

DIAGRAM 1



In the above diagram, it may be seen that the starting point is reciprocity - a concept yet to be discussed in the GNS. Reciprocity determines both a conditional MFN treatment and national treatment.

According to these delegations, this national treatment is to be provided to both the imported services and foreign direct investment in the field of services.

But for the national treatment to really exist, the transparency of both the existing and the proposed regulations, both in services and in FDI in services, is necessary.

In turn, the conditional MFN treatment would determine transparency only for the members of any eventual agreement.

The objective in this approach would be increased access to markets of both services and FDI in services.

All these elements would constitute the general framework for the conduct of international trade (and FDI) in services. This framework would determine the functioning of the possible sectoral agreements, which, of course, would be supplemented with additional, specific rules.

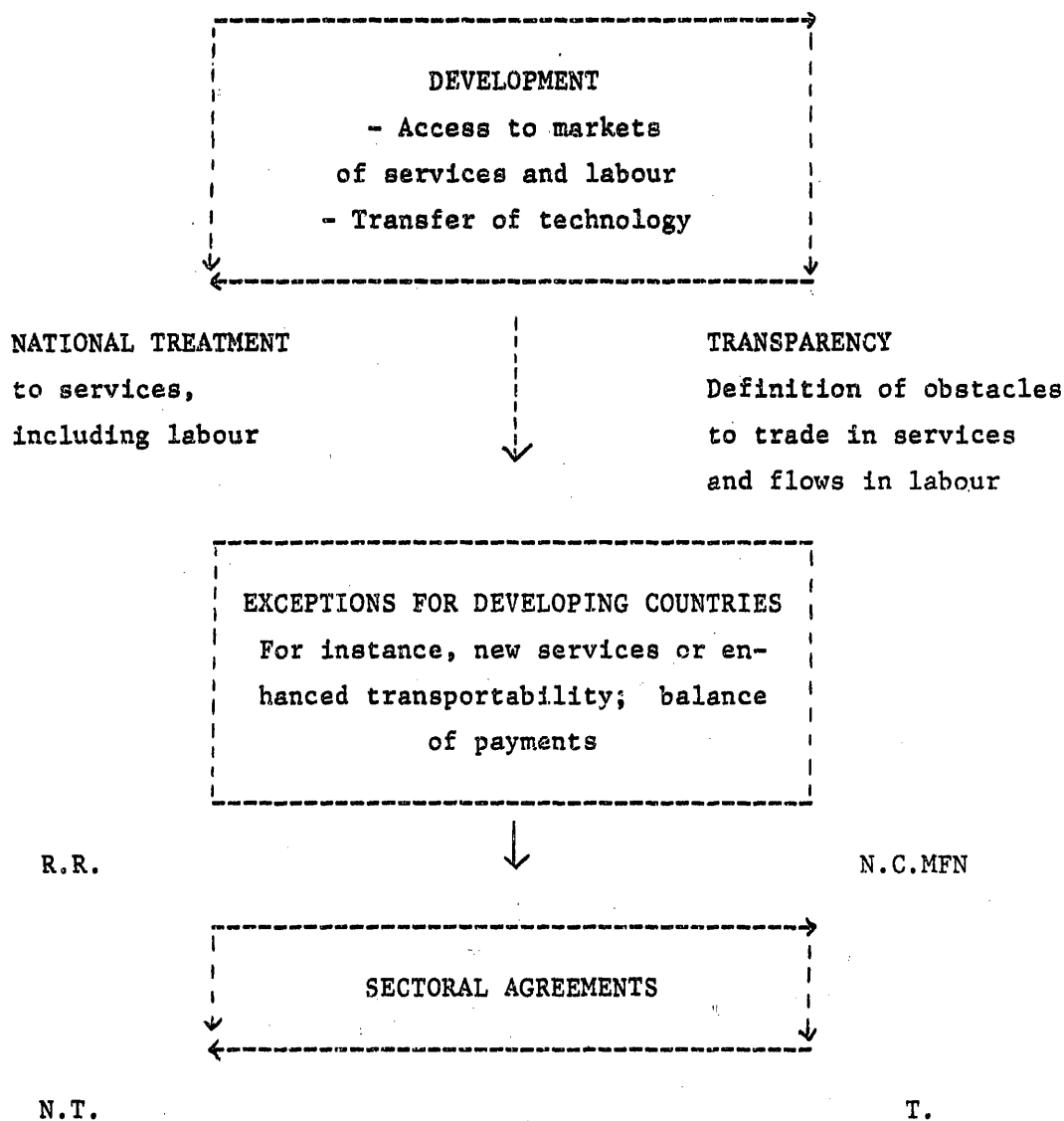
It should be mentioned that the above analysis is our perception of the position taken by a number of delegations, and should not be attributed to any delegation in particular.

However, we would be grateful for any suggestion that would improve this diagram in conceptual terms.

DIAGRAM 2

RELATIVE RECIPROCITY

NON-CONDITIONAL MFN



Following the same reasoning as above, our preliminary position could be depicted in diagram 2, economic development being the objective of any agreement on services, as stated in the Punta del Este Declaration.

As may be seen in that diagram, the starting point would be relative reciprocity, a concept still to be defined, but which could include, among others, elements such as the development, financial and trade needs of each developing contracting party to the eventual agreement.