

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

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Group of Negotiations on Services

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COMMUNICATION FROM SWITZERLAND

Conditional offer of Switzerland concerning initial commitments

The following communication is circulated at the request of the delegation of Switzerland to the members of the Group of Negotiations on Services.

1. At this stage in the negotiations, Switzerland is prepared to make initial commitments under the General Agreement on Services (GATS) in all relevant services sectors. The annexed list¹ indicates in detail the sectors and subsectors in which Switzerland is ready, in accordance with the various modes of service delivery, to grant national treatment and/or market access to service providers from other contracting parties to the Agreement.
2. This offer is conditional. At the time of closure of the negotiations on the framework agreement on services, Switzerland will evaluate the negotiations and determine whether to maintain, extend or reduce this offer according to the following criteria:
 - 2.1 The quality and number of offers by other contracting parties;
 - 2.2 The legal quality of the framework agreement on services, and in particular the legal strictness and precision of the most-favoured-nation clause, national treatment, market access provisions, mutual recognition of qualifications, definition of concessions and binding and the extent of the link between the services agreement and the GATT multilateral trading system;
 - 2.3 The unambiguous inclusion of all services sectors in the framework agreement, either directly in lists of concessions or in sectoral annotations intended specially to foster the progressive liberalization of a specific sector.

¹English only.

Sector or Sub-sector

Limitations and conditions on Market Access in respect to the following modes of delivery (Subject to mandatory legislation existing on January 1, 1986)

- (1) = Cross-border-trade
- (2) = Movement of consumers
- (3) = Commercial presence
- (4) = Movement of personnel

**Conditions and qualifications on National Treatment
(Subject to mandatory legislation existing on January 1, 1986):**

General conditions and qualifications:

- (1) The acquisition of real estate by foreigners, that are not permanently established, and by legal persons with headquarters abroad and/or under foreign control is subject to authorization. As a general rule, authorization is granted for the purpose of personal housing needs, professional use and business activities in connection with establishment (Law: RS 211.412.41 of March 23, 1961).
- (2) The board of directors of a corporation with limited liability in the form of a S.A. (except holding companies) must have a majority of Swiss citizens with domicile in Switzerland (Law: Article 711 para 1 and 2 of Swiss Civil Code dealing with contract law in RS 220).

AUDIOVISUAL SERVICES**- production of audio-visual works**

- (1): No limitations
- (2): No limitations
- (3): No limitations
- (4): Unbound

Subsidies for motion-picture production are only granted for films produced by Swiss companies, where foreign participation is less than 50%.

- distribution of audio-visual works (other than films)

- (1) No limitations
- (2) No limitations
- (3) No limitations
- (4) Unbound

Sector or Sub-sector	Limitations and conditions on Market Access in respect to the following modes of delivery (Subject to mandatory legislation existing on January 1, 1986):	Conditions and qualifications on National Treatment (Subject to mandatory legislation existing on January 1, 1986)
	(1) = Cross-border trade; (2) = Movement of consumers (3) = Commercial presence (4) = Movement of personnel	
BUSINESS SERVICES		
Rental / leasing of non-transport equipment	(1) No limitations (2) No limitations (3) No limitations (4) Unbound	(1) No limitations (2) No limitations (3) No limitations (4) Unbound
Installation and assembly work (other than construction)	(1) No limitations (2) No limitations (3) No limitations (4) Unbound	(1) No limitations (2) No limitations (3) No limitations (4) Unbound
Maintenance and repair of equipment (not including fixed structures)	(1) No limitations (2) No limitations (3) No limitations (4) Unbound	(1) No limitations (2) No limitations (3) No limitations (4) Unbound
<i>Professional services (including consulting)</i>		
- Accounting services		
- Management and administrative services		

Sector or Sub-sector	Limitations and conditions on Market Access in respect to the following modes of delivery (Subject to mandatory legislation existing on January 1, 1986):	Conditions and qualifications on National Treatment (Subject to mandatory legislation existing on January 1, 1986)
	(1) = Cross-border-trade; (2) = Movement of consumers (3) = Commercial presence (4) = Movement of personnel	
- Advertising	(1) No limitations (2) No limitations (3) No limitations (4) Unbound	
- Market research and opinion polling	(1) No limitations (2) No limitations (3) No limitations (4) Unbound	
- Advisory and consultative engineering services	(1) No limitations (2) No limitations (3) No limitations (4) Unbound	
- Industrial engineering	(1) No limitations (2) No limitations (3) No limitations (4) Unbound	
- Engineering design services	(1) No limitations (2) No limitations (3) No limitations (4) Unbound	
- Project management services	(1) No limitations (2) No limitations (3) No limitations (4) Unbound	
- Interior design services	(1) No limitations (2) No limitations (3) No limitations (4) Unbound	

**Limitations and conditions on Market Access in respect to
the following modes of delivery (Subject to mandatory
legislation existing on January 1, 1986):**

(1) = Cross-border-trade;
 (2) = Movement of consumers
 (3) = Commercial presence
 (4) = Movement of personnel

Sector or Sub-sector	Conditions and qualifications on National Treatment (Subject to mandatory legislation existing on January 1, 1986)			
- Computer-related services (including hardware-related consulting, installation, data processing, etc.)	(1) No limitations (2) No limitations (3) No limitations (4) Unbound	(1) No limitations (2) No limitations (3) No limitations (4) Unbound	(1) No limitations (2) No limitations (3) No limitations (4) Unbound	(1) No limitations (2) No limitations (3) No limitations (4) Unbound
- Software development (including software implementation)				
- Travel agents and tour operators				
- Economic and behavioural research				
- Public relations services				
<i>Business services not included elsewhere</i>				
- Cleaning of buildings and similar activities	(1) No limitations (2) No limitations (3) No limitations (4) Unbound	(1) No limitations (2) No limitations (3) No limitations (4) Unbound	(1) No limitations (2) No limitations (3) No limitations (4) Unbound	(1) No limitations (2) No limitations (3) No limitations (4) Unbound

Sector or Sub-sector

Limitations and conditions on Market Access in respect to the following modes of delivery (Subject to mandatory legislation existing on January 1, 1986):

(1) = Cross-border-trade;
 (2) = Movement of consumers
 (3) = Commercial presence
 (4) = Movement of personnel

		Conditions and qualifications on National Treatment (Subject to mandatory legislation existing on January 1, 1986)
- Packaging activities		<p>(1) No limitations (2) No limitations (3) No limitations (4) Unbound</p>
- Translation services		<p>(1) No limitations (2) No limitations (3) No limitations (4) Unbound</p>
- Printing and publishing		<p>(1) No limitations (2) No limitations (3) No limitations (4) Unbound</p>

COMMUNICATION SERVICES

Telecommunication services

- Value-added services

- (1) No limitations
 (2) No limitations
 (3) No limitations
 (4) Unbound

Additional Commitment (as from January 1, 1992): (1) and
 (3); Use of the PTT's network, either the public network
 or leased lines; pricing of leased lines not volume-
 sensitive, connection with the public network possible.

Sector or Sub-sector

Limitations and conditions on Market Access in respect to the following modes of delivery (Subject to mandatory legislation existing on January 1, 1986):

(1) = Cross-border-trade;
 (2) = Movement of consumers
 (3) = Commercial presence
 (4) = Movement of personnel

CONSTRUCTION SERVICES**Site preparation**

- (1) Unbound
 (2) Unbound
 (3) No limitations
 (4) Unbound

New constructions, other than pipe-lines

- (1) Unbound
 (2) Unbound
 (3) No limitations
 (4) Unbound

Installation and assembly work

- (1) Unbound
 (2) Unbound
 (3) No limitations
 (4) Unbound

Building completion

- (1) Unbound
 (2) Unbound
 (3) No limitations
 (4) Unbound

Maintenance and repair of fixed structures

- (1) Unbound
 (2) Unbound
 (3) No limitations
 (4) Unbound

DISTRIBUTION SERVICES (not mentioned elsewhere)**Merchanting (wholesale trade)**

- (1) No limitations
 (2) No limitations
 (3) No limitations
 (4) Unbound

Conditions and qualifications on National Treatment
 (Subject to mandatory legislation existing on January 1,
 1986)

Sector or Sub-sector	Limitations and conditions on Market Access in respect to the following modes of delivery (Subject to mandatory legislation existing on January 1, 1986):	Conditions and qualifications on National Treatment (Subject to mandatory legislation existing on January 1, 1986)
	(1) = Cross-border-trade; (2) = Movement of consumers (3) = Commercial presence (4) = Movement of personnel	No conditions other than prudential regulations ensuring equivalent treatment of branches of insurance companies with domicile abroad. (These refer i.a. to the following elements: A foreign insurance company wishing to open a branch in Switzerland, must have transacted insurance business for at least three years in the home country; the general agent of the branch must be a Swiss citizen; his nomination and procuration must be approved by the Federal Office of Private Insurance; it must have an office in Switzerland for the totality of its Swiss activities. Law: RS 361.01 of June 23, 1978. Branches of foreign insurance companies are subject to guarantee requirements which differ from those applied to Swiss insurance companies. Law: 961.02 of February 2, 1919). Only for (3): National treatment accorded <i>de facto</i> , implying equal competitive opportunities of domestic and foreign services providers.
Retail trade	(1) No limitations (2) No limitations (3) No limitations (4) Unbound	
Countertrading services	(1) No limitations (2) No limitations (3) No limitations (4) Unbound	
FINANCIAL SERVICES		
ALL INSURANCE AND INSURANCE RELATED SERVICES	(1) Unbound (2) Unbound (3) No limitations (4) Unbound	
		- reinsurance,

Sector or Sub-sector	Limitations and conditions on Market Access in respect to the following modes of delivery (Subject to mandatory legislation existing on January 1, 1986):	Conditions and qualifications on National Treatment (Subject to mandatory legislation existing on January 1, 1986)
	<ul style="list-style-type: none"> (1) = Cross-border-trade; (2) = Movement of consumers (3) = Commercial presence (4) = Movement of personnel 	No conditions other than prudential requirements. Only for (3): National treatment accorded <i>de facto</i> , implying equal competitive opportunities of domestic and foreign service providers.
- reprocessing, and services auxiliary to insurance;	<ul style="list-style-type: none"> (1) No limitations (2) No limitations (3) No limitations (4) Unbound 	
- insurance of risks relating to maritime shipping, commercial aviation and goods in international transit.	<ul style="list-style-type: none"> (1) No limitations (2) No limitations (3) No limitations (4) Unbound 	
BANKING AND OTHER FINANCIAL SERVICES*		
- advisory and other auxiliary services;	<ul style="list-style-type: none"> (1) No limitations (2) No limitations (3) No limitations (4) Unbound 	
- acceptance of deposits and other repayable funds from the public;	<ul style="list-style-type: none"> (1) No limitations (2) No limitations (3) No limitations (4) Unbound 	
- payment and money transmission services;	<ul style="list-style-type: none"> (1) No limitations (2) No limitations (3) No limitations (4) Unbound 	
- asset management;	<ul style="list-style-type: none"> (1) No limitations (2) No limitations (3) No limitations (4) Unbound 	

* General remark Switzerland has specific reciprocity provisions in this area. The elements of this offer are therefore subject to equivalent and mutually acceptable offers made by other parties.

Sector or Sub-sector

Limitations and conditions on Market Access in respect to the following modes of delivery (Subject to mandatory legislation existing on January 1, 1986):	Conditions and qualifications on National Treatment (Subject to mandatory legislation existing on January 1, 1986)
(1) = Cross-border-trade;	
(2) = Movement of consumers	
(3) = Commercial presence	
(4) = Movement of personnel	

- trading of financial instruments to be further defined.

- (1) No limitations
- (2) No limitations
- (3) No limitations
- (4) Unbound

HOTELS AND RESTAURANTS (including catering)

- (1) No limitations
- (2) No limitations
- (3) License by Cantonal authority granted if need for restaurants exists (Swiss Constitution Art. 31ter).
- (4) Unbound

TRANSPORTATION

FREIGHT SERVICES

- Air Freight

- (1) Unbound except first and second freedom of air
- (2) Unbound
- (3) No limitations as regards:
 - advertising and sales of all services directly or over chosen agencies and in applying CRS;
 - acquisition of own sales and administration offices pursuant to individual companies criteria;
 - sales of own services and purchase of foreign services in local currency to the same conditions as local airlines;
 - immediate transfer of income surplus to home country;
- (4) Unbound

- Road Freight

- (1) Unbound
- (2) Unbound
- (3) No limitations
- (4) Unbound

Sector or Sub-sector	Limitations and conditions on Market Access in respect to the following modes of delivery (Subject to mandatory legislation existing on January 1, 1986):	Conditions and qualifications on National Treatment (Subject to mandatory legislation existing on January 1, 1986)
	<p>(1) = Cross-border-trade;</p> <p>(2) = Movement of consumers</p> <p>(3) = Commercial presence</p> <p>(4) = Movement of personnel</p>	
<i>Passenger transportation services</i>		
- Air	<p>(1) Unbound except first and second freedom of air</p> <p>(2) Unbound</p> <p>(3) No limitations as regards:</p> <ul style="list-style-type: none"> - advertising and sales of all services of companies or over chosen agencies and in applying CRS; - acquisition of own sales and administration offices pursuant to the individual companies criteria; - sales of own services and purchase of foreign services in local currency to the same conditions as local airlines; - immediate transfer of income surplus to home country; <p>(4) Unbound</p>	
- Road	<p>-- occasional</p> <p>(1) Empty entrance and cabotage reserved</p> <p>(2) Unbound</p> <p>(3) No limitations</p> <p>(4) Unbound</p>	<p>(1) Unbound</p> <p>(2) Unbound</p> <p>(3) Unbound except for "circuit à porte fermée"</p> <p>(4) Unbound</p>
<i>Services auxiliary to transport</i>		
- Cargo handling		<p>(1) Unbound</p> <p>(2) Unbound</p> <p>(3) No limitations</p> <p>(4) Unbound</p>
- Pre-shipment inspection		<p>(1) Unbound</p> <p>(2) Unbound</p> <p>(3) Limited to activities between private exporters and private importers</p> <p>(4) Unbound</p>

Sector or Sub-sector	Limitations and conditions on Market Access in respect to the following modes of delivery (Subject to mandatory legislation existing on January 1, 1986):	Conditions and qualifications on National Treatment (Subject to mandatory legislation existing on January 1, 1986)
	(1) = Cross-border trade; (2) = Movement of consumers (3) = Commercial presence (4) = Movement of personnel	
TOURISM	- not included elsewhere	(1) No limitations (2) Requirements for government employees to use national airlines services. (3) No limitations (4) Unbound