

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

RESTRICTED

MTN.TNC/W/59

5 December 1990

Special Distribution

Group of Negotiations on Services

Original: English

COMMUNICATION FROM SWEDEN

Preliminary Conditional Offer by Sweden
on Initial Commitments

The following communication is circulated at the request of the delegation of Sweden.

Sweden's Offer in the Services Negotiations
within the Uruguay Round

1. A multilateral Services Agreement covering all trade in services has been a stated goal for Sweden throughout the Uruguay Round negotiations. That goal had two components:
 - legal treaty based on the m.f.n. principle, with strong rules and strict disciplines for governments measures affecting trade in services, both services trade in general and sector specificities where such exist, and
 - concrete commitments from Parties to liberalize and bind measures in specific sectors or sub-sectors.
2. The treaty would lay the foundation for an expansion of world trade in services. Its scope would cover all services sectors. Its trade rules would apply globally and prevent governments from taking trade distortive measures. Its provisions on progressive liberalization would expand market access and national treatment by guiding the process of negotiated reductions of trade restrictive measures.
3. Bound commitments by governments to apply the treaty to specific sectors and sub-sectors are needed to secure a meaningful implementation of the treaty and to ensure regulatory predictability and stable trading conditions.

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4. Sweden is prepared to make specific bound commitments in all services sectors. At this stage of the negotiations, and as a first step, Sweden offers to bind all existing measures that affect trade in services at their present level of market access and national treatment.

5. This initial offer is presented as a basis for negotiations on specific commitments. Sweden expects corresponding offers from other governments that participate in the services negotiations.

6. The Swedish offer comprises measures at national and sub-national level by governmental and non-governmental regulatory bodies. A balanced outcome of the negotiations would require commitments from other parties to bind their regulatory measures in areas of interest to Sweden.

7. If this offer is implemented, Sweden would bind all existing domestic regulations affecting trade in services in relation to the provisions on market access and national treatment in Part III of the Services Agreement. More restrictive measures would not be introduced in the future. Any new measures affecting market access or national treatment would maintain the level of restriction previously applied or be more liberal. When re-regulating existing measures the same approach would be used.

8. Furthermore, Sweden is prepared to enter into negotiations with other Parties on additional market access and national treatment concessions in certain areas. Any such additional commitments would be bound in the Swedish national schedule as part of a balanced outcome where other Parties made corresponding commitments of interest to Sweden.

9. The Swedish offer comprises those trade flows into and out of Sweden that are covered by the Services Agreement, that is the expected framework agreement and the annexes attached to it as integral parts. Estimated figures for these trade flows cannot be given, due to remaining uncertainties about the scope of the Agreement and the definition of trade in services to be used.

10. The Swedish offer does not include or affect measures taken for the purpose of regulating entry into, residence in or exit from Swedish territory. No changes to the Swedish Constitution, labour market practices or to the jurisdiction over activities taking place inside Swedish territory are contemplated as a result of the offer presented in this paper.

11. Sweden reserves its right to revise and modify this offer in light of the content of the rules and disciplines in the Agreement, offers from other participants and the modalities to be determined for the negotiation on initial commitments.