

AD HOC 133 COMMITTEE
SERVICES
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GATS 2000

Request from the EC and its Member States (hereinafter the EC)

to

JAPAN

General remarks

This request covers horizontal commitments and the following service sectors:

- Professional services
- Business services other than Professional services
- Postal and courier services
- Telecommunication services
- Construction and related engineering services
- Distribution services
- Environmental services
- Financial services
- News agency services
- Transport (air, maritime, land, other) services
- Energy

The EC proposes that JAPAN's current GATS commitments are revised in accordance with this request. The EC is both seeking improved commitments and clarification of existing commitments as set out in this Request. The EC is furthermore looking for a reduction in scheduled limitations whether these are horizontal or sector specific in nature.

The EC further requests that commitments are entered in accordance with the scheduling guidelines adopted by the Council of Trade in Services on 23 March 2001 (S/L/92). In particular, for each commitment or limitation entered the EC requests:

- that the sector and sub-sector are clearly identified in accordance with the classification list in Document MTN.GNS/W/120 or other internationally recognised classification (e.g. Financial Services Annex) and corresponding CPC number. If this is not possible, the schedule should contain a sufficiently detailed definition to avoid any ambiguity as to the scope of the commitment.
- that any remaining limitation on market access (thereafter "MA") or on national treatment (thereafter "NT") are clearly described and only be inscribed in the market access or national treatment columns if the measure is of a nature foreseen by Articles XVI-XVII GATS.

The EC remains available to provide any clarification and answer any question on this request. Questions can be addressed to the European Commission via the EC contact point, via the Delegation of the European Commission in Geneva, or at the following EC officials in Directorate-General Trade Unit D2 (Trade in services, including e-commerce) :

Country Desk Officer:	Philippe Chauve (Tel : 32-2 299 20 13 e-mail : philippe.chauve@cec.eu.int)
General issues:	J.A. Machado, Head of Unit (Tel : 32-2 299 6310; e-mail : joao-luis.aguiar-machado@cec.eu.int) A. C. Jessen, Deputy Head of Unit (Tel: 32-2 299 2457, email: anders.jessen@cec.eu.int)

Note : The EC reserves the right to revise and/or supplement this request. For each service sector, W120 classification has been followed unless expressly indicated and CPCs refer to the Provisional CPC classification. The precise scope for each sector is without prejudice to the EC's final positions on classification issues and to the EC's classification of their existing commitments.

HORIZONTAL COMMITMENTS :

EC request to JAPAN

Mode 3

National treatment is unbound for research and development subsidies. **EC Request:** Clarify the applicability and scope of the regime.

Mode 4

Intra-corporate transferees :

- Commitments under section (a) only cover transfers to subsidiaries and branches. **EC request:** Extend coverage to include all affiliated companies and offices.
- Commitment under section (b) are limited to certain professions. **EC request:** Extend coverage of this section to all professions included in section 1A of W/120 (except medical, dental, veterinary and other medical) plus surveyors (part of “related scientific and technical consulting in section 1F”) and merge sections (a) and (b). See also the EC’s request on professional services.
- The EC also requests that a commitment be made to allow as intra-corporate transferees without requiring an economic needs test «persons with a university degree or equivalent technical qualification who are transferring for career development purposes or to obtain training in business techniques or methods». The maximum prior employment requirement should be one year.

Contractual Service Suppliers :

- A contractual service supplier is a juridical person with no commercial presence in Japan, who has obtained a service contract in Japan which requires the presence of its employees in Japan in order to fulfil that contract. **EC request :** Take commitments for natural persons employed in the service sectors listed below and seeking temporary entry as contractual service suppliers. Such natural persons can be required to have a university degree or equivalent technical qualification – plus the appropriate professional qualifications where this is required by domestic law. The length of stay may be limited to the length of the contract.

List of sectors :

1. Business Services

Legal Services

Accounting and bookkeeping services

Taxation services

Architectural services

Engineering Services

Integrated engineering services
Urban planning and landscape architectural services
Computer and Related Services
Research and Development Services
Advertising
Management consulting services
Services related to management consulting
Technical testing and analysis services
Related scientific and technical consulting services
Maintenance and repair of equipment
Photographic services
Convention services
Translation services

3. Construction and related engineering services
Site investigation work (CPC 5111)

4. Distribution Services
Wholesale trade services (CPC 622)

6. Environmental Services
Water for human use & wastewater management
Solid/hazardous waste management

7. Financial Services
Services auxiliary to insurance, such as consultancy, actuarial, risk assessment and claim settlement services
Advisory, intermediation and other auxiliary financial services on all the activities listed in the subparagraphs (v) to (xv) of the classification of the Annex on Financial Services, including credit reference and analysis, investment and portfolio research and advice, advice on acquisitions and on corporate restructuring and strategy

9. Tourism and Travel Related Services
Tourist Guide Services (CPC 7472)

Additional commitments.

- Difficulties are experienced as a result of the length of time taken to process work permits. The EC wishes to discuss the possibility of taking additional commitments to address this issue.

Note : Mode 4 is covered horizontally in this part for all service sectors. The sectoral requests in the following pages only refer to mode 4 when specifically related to one particular service sector.

PROFESSIONAL SERVICES

EC request to JAPAN

Japan has committed this sector only partially. The EC requests that this sector is committed as follows:

General

For those sub-sectors where commitments have been made :

Mode 3 : NT – Japan has indicated « none » except as indicated in the horizontal commitments ». **EC Request:** schedule « none ».

a. Legal Services (CPC 861)

- This sub-sector is not committed for practice through lawyers qualified as Bengoshi under Japanese law. Commitments as regards consultancy on foreign law are limited to the service supplier being himself qualified and do not extend to entire practice of international public law, to third country law (additional commitments) and, i) under d), to activities concerning a legal case whose primary objective is the acquisition or loss or change of rights concerning real property in Japan or of industrial property rights, mining rights or other rights arising upon registration thereof with government agencies in Japan. **EC Request:** Extend sectoral coverage of commitments to consultancy on international public law and on law of jurisdiction where the service supplier or its personnel are qualified lawyers, and remove the limitation of activities listed i) under d).
- Cooperation with Bengoshi is required for consultancy in a legal case concerning family relations or inheritance, in which a Japanese national is involved, or in a legal case as listed i) under d). **EC Request:** Remove.
- Modes 1, 2 and 3: MA – Supply of services restricted to natural persons. **EC Request:** Remove in order to allow supply by juridical persons through a Bengoshi or a relevant qualified lawyer.
- Modes 1, 2 and 4: MA – Commercial presence required. **EC Request:** Remove in order to allow supply by non-established juridical persons through a Bengoshi or a relevant qualified lawyer.
- Modes 1 and 2: NT – Requirement of staying at least 180 days a year for lawyers other than Bengoshi. **EC Request:** Remove.
- Additional commitments: Association with Bengoshi permitted but prohibition of employing Bengoshi. **EC Request:** Remove prohibition and permit full partnership between registered foreign lawyers and Bengoshi.

- Conditions mentioned in footnotes: Prior practice requirements for obtaining recognition as “Gaikoku-HO-Jimu-Bengoshi. **EC Request:** Remove.

b. Accounting, auditing and bookkeeping services (CPC 862)

- Commitments only extend to services supplied by an accountant qualified as Koninkaikeishi under Japanese law. **EC Request:** Extend sectoral coverage of commitments to the entire CPC 862 removing this entry.
- Modes 1, 2 and 3: MA – Supply of services restricted to natural persons or audit corporations. **EC Request:** Remove

c. Taxation Services (CPC 863)

- Commitments only extend to services supplied by a tax accountant qualified as Zeirishi under Japanese law. **EC Request:** Extend sectoral coverage of commitments to the entire CPC 863, removing this entry.
- Modes 1, 2 and 3: MA – Supply of services restricted to natural persons. **EC Request:** Remove.
- Modes 1, 2 and 4: MA – Commercial presence required. **EC Request:** Remove.

d. Architectural services (CPC 8671)

- This sub-sector is not committed for the entire CPC 8671. **EC Request:** Extend sectoral coverage of commitments to the entire CPC 8671
- Modes 1 and 2: MA – Commercial presence required for some architectural services. **EC Request:** Remove.

e. Engineering services (CPC 8672).

f. Integrated engineering services (CPC 8673)

For each of these two sub-sectors [e) and f)]:

- Commitments do not cover the entire CPCs 8672 and 8673, and services related to petroleum, petroleum products, gas and mineral are excluded. **EC Request:** Extend sectoral coverage of commitments to the entire CPCs 8672 and 8673
- Modes 1 and 2: MA – Commercial presence required for some services currently listed as architectural services. **EC Request:** Remove

BUSINESS SERVICES (other than professional services)

EC request to JAPAN

General

For those sub-sectors where commitments have been made :

Mode 3 : NT – Japan has indicated « none » except as indicated in the horizontal commitments ». **EC Request** : schedule « none ».

B. Computer and Related Services

General

EC Request: Schedule commitments at the two-digit level – i.e. CPC 84.

In view of the rapid technological advances which have taken, and continue to take place, in this sub-sector, the EC proposes to seek clarification at a multilateral level as to what services are considered to be covered under CPC Prov 84.

C. Research and Development Services

Japan has not committed the following sub-Sectors. The EC requests that they be committed as follows :

a. R&D Services on natural sciences (CPC 851)

c. Interdisciplinary R&D services. (CPC 853)

For each of the above sub-sectors :

- Modes 1, 2, 3 : Take full commitments, i.e. schedule "none" under MA and NT.
- Mode 4 : Commit as referred to in the section "Horizontal commitments".

F. Other Business Services

NB: Requests (if any) on (h) - services incidental to mining, and (j) - services incidental to energy distribution, are covered in those sections of the request dealing with Energy Services and Construction Services.

d. Services related to management consulting (CPC 866)

This sub-sector has only been partially committed. **EC request:** Extend sectoral coverage to all of CPC 866.

Mode 3 : NT – see general request for Business services above.

e. Technical testing and analysis services (CPC 8676)

Japan has not committed this sub-Sector. The EC requests that it be committed as follows :

- Modes 1, 2, 3 : Take full commitments, i.e. schedule "none" under MA and NT.
- Mode 4 : Commit as referred to in the section "Horizontal commitments".

k. Placement and supply services of personnel (CPC 872)¹

This sub-sector has only been partially committed. **EC Request:** Extend sectoral coverage to all of CPC 872.

- Mode 1 : MA and NT – This mode remains unbound. **EC Request:** Take full commitments, i.e. schedule « none » under MA and NT.
- Mode 2 : MA and NT – This mode is unbound for technical reasons. **EC Request:** Take full commitments, i.e. schedule « none » under MA and NT.
- Mode 3 : MA – Numerical quota. **EC Request:** Eliminate.
- Mode 3 : NT – see general request for Business services above.

l. Security Services (CPC 87302 – 87309)

Japan has not committed this sub-sector. The EC requests that it be committed as follows :

- Mode 3 : MA - Commit with no form of establishment or equity limitation. Full NT commitment - i.e. schedule "none".
- Mode 4 : Commit as referred to in the section "Horizontal commitments".

m. Related scientific and technical consulting services (CPC 8675)

This sub-sector has only been partially committed. **EC Request:** Extend sectoral coverage to all of CPC 8675.

¹ Main concern in this sector is to ensure the elimination of any restriction on the job categories which can be handled by either recruitment or interim employment agencies.

- Modes 1 and 2: MA – Commercial presence requirement in certain circumstances for CPC 86753 and 86754. EC request. Eliminate.
- Mode 3 : NT – see general request for Business services above.

n. Maintenance and Repair of Equipment (not including transport equipment) (CPC 633 + 8861-8866)

- Mode 1 : MA and NT – This mode is unbound for technical reasons. **EC Request:** Clarify.
- Mode 3 : NT – see general request for Business services above.

s. Convention Services (part of CPC 87909)

- Mode 1 : MA and NT – This mode is unbound for technical reasons. **EC Request:** Clarify.
- Mode 3 : NT – see general request for Business services above.

POSTAL AND COURIER SERVICES

EC request to JAPAN

This request includes sub-sectors that are listed under the negotiating proposal of the EC (S/CSS/W/61). The work on the revision of classification of this sector is still underway. For this reason, the sub-sectors lack reference to CPC.

Japan has not undertaken commitments in postal and courier services. The EC requests Japan to commit this sector as follows, based on the EC proposal for the revised classification of postal and courier services:

Services relating to the handling² of postal items³, whether for domestic or foreign destinations:

A. Handling of addressed written communications on any kind of physical medium⁴, including:

- Hybrid mail services

- Direct mail

B. Handling of addressed parcels and packages⁵

C. Handling of addressed press products⁶

D. Handling of items referred to in A. to C. above as registered or insured mail.

E. Express delivery services⁷ for items referred to in A. to C. above.

F. Handling of non-addressed items.

G. Document exchange.

H. Other services not elsewhere specified.

² The term "handling" should be taken to include clearance, sorting, transport and delivery.

³ "Postal item" refers to items handled by any type of commercial operator, whether public or private.

⁴ E.g. letter, postcards.

⁵ Books, catalogues are included hereunder.

⁶ Journals, newspapers, periodicals.

⁷ Express delivery services may include, in addition to greater speed and reliability, value added elements such as collection from point of origin, personal delivery to addressee, tracing and tracking, possibility of changing the destination and addressee in transit, confirmation of receipt.

For sub-sectors B., C., E., F. and G. :

- Modes 1, 2 and 3 : Undertake full commitments for market access and national treatment.
- Mode 4 : Commit as referred to in the section « Horizontal commitments ».

For sub-sectors A. and D. :

- Modes 1, 2 and 3: Undertake commitments for market access and national treatment.
- Mode 4 : Commit as referred to in the section « Horizontal commitments ».

TELECOMMUNICATION SERVICES

EC request to JAPAN

Japan has only partially committed this Sector. The EC requests that this Sector is committed as follows:

All Modes

There are no commitments in telegraph services. **EC Request:** Make full commitments in this sub-sectors, i.e. schedule “None”.

Mode 3 – Commercial Presence

- There are equity ceilings for foreign participation in NTT and KDD, **EC Request:** remove these ceilings.
- Board members and auditors in NTT and KDD must have Japanese nationality, **EC Request:** remove this restriction.
- The schedule refers to horizontal restrictions on national treatment for value-added services, , **EC Request:** remove this unnecessary restriction (already taken into account by the horizontal commitments).

Additional Commitments

There is a restriction on the Reference Paper concerning interconnection obligations (in existing commitments paragraph 2.2 of the Reference Paper only applies to major suppliers with control over essential facilities). **EC Request:** remove this restriction.

CONSTRUCTION AND RELATED ENGINEERING SERVICES

EC request to JAPAN

General

Japan has committed this Sector only partially. The EC requests that this Sector be committed as follows :

All sub-sectors (CPC 511 to CPC 518)

- Commitments in this Sector exclude services related to mining. **EC Request:** Eliminate this exclusion.
- Mode 3: NT – Japan's schedule reads "None except as indicated in horizontal commitments". **EC Request:** Please refer to the horizontal section of the EC Request in this respect.

Note : "MA" refers to commitments scheduled under the "Market Access" column. "NT" under the "National treatment" column.

DISTRIBUTION SERVICES

EC request to JAPAN

Japan has only partially committed this Sector. The EC requests that this Sector is committed as follows :

All sub-sectors

The distribution of the following goods is not committed :

- petroleum and petroleum products
- rice, salt, alcoholic beverages, tobacco
- substances and ingredients
- fresh goods sold at Public Wholesale Markets

EC Request for these goods:

- Modes 1, 2, 3 : Take full commitments, i.e. schedule "none".
- Mode 4 : Commit as referred in the section "Horizontal commitments".

C. Retailing services (CPC 631+632, 6111+6113+6121+613)

The distribution of motor fuel (CPC 613) is not committed. **EC Request:**

- Modes 1, 2, 3 : Take full commitments, i.e. schedule "none".
- Mode 4 : Commit as referred in the section "Horizontal commitments".

ENVIRONMENTAL SERVICES

EC request to JAPAN

The EC requests Japan to commit the following subsectors, and schedule existing commitments accordingly, based on the EC proposal for the classification of environmental services.

A. Water for human use & wastewater management

- Water collection, purification and distribution services through mains, except steam and hot water.

Extend sectoral coverage to include the above services, and take full commitments in that subsector for mode 2 and 3.

- Waste water services (CPC 9401)

No request.

B. Solid/hazardous waste management

- Refuse disposal services (CPC 94020)

Mode 3

Market access: Remove limitation of number of licences for service suppliers of waste oil disposal at sea from vessels.

- Sanitation and similar services (CPC 94030)

No request

C. Protection of ambient air and climate

- Services to reduce exhaust gases and other emissions and improve air quality (CPC 94040)

No request

D. Remediation and cleanup of soil & water

- Treatment, remediation of contaminated/polluted soil and water (part of CPC 94060)

No request

E. Noise & vibration abatement

- Noise abatement services (CPC 94050)

No request

F. Protection of biodiversity and landscape

- Nature and landscape protection services (part of CPC 94060)
- No request

G. Other environmental & ancillary services

- Other environmental protection services not classified elsewhere (CPC 94090)
- No request

FINANCIAL SERVICES

EC request to JAPAN

A. Insurance

- Modes 1 and 2: MA - Concerning compulsory automobile liability insurance, application of the pooling agreement and reinsurance scheme with the central government prohibits companies from arranging own reinsurance.
EC Request: Remove this restriction.
- Modes 1 and 2: MA and NT - Concerning household earthquake insurance, existence of an exclusivity given to the Earthquake Reinsurance Company and reinsurance scheme with the central government, which prohibits companies from arranging own reinsurance.
EC Request: Eliminate this exclusivity.
- Modes 1, 2 and 3: MA and NT - Insurance intermediaries are not allowed to offer insurance contracts to insurers not licensed in Japan.
EC Request: Remove this restriction.
- Mode 3: MA - Extend “use and file” system to all commercial and personal lines. **EC Request:** Bind.

B. Banking and other financial services

- Mode 3: MA - Branches of foreign banks are not allowed to combine banking and securities services, as is appropriate for universal banks.
EC Request: Allow universal banking.
- Mode 3: MA - Firewall requirements between commercial banks and securities companies. **EC Request:** Eliminate those requirements.
- Mode 3: NT - Outsourcing of back-office services to separate service companies is limited. The Financial Supervisory Agency’s definition of “core banking functions” that cannot be outsourced is wider than under the definition used in the EC and the US. **EC Request:** Remove this limitation.
- Mode 3: MA - Restrictions for foreign bank branches on the global offering of certain Yen products, as well as on integrated risk management through the creation of so-called “integrated group companies”. **EC Request:** Remove those restrictions.

- Mode 3: MA - Access to management of youcho and kempo funds by Investment Advisory Companies restricted. **EC Request:** Remove this restriction.

NEWS AGENCY SERVICES

EC request to Japan

Japan has undertaken commitments in this sector (CPC 962).

EC Request (CPC 962):

National treatment :

Mode 3 : NT – Japan has indicated « none » except as indicated in the horizontal commitments ». **EC Request** : schedule « none ».

TRANSPORT SERVICES

EC request to JAPAN

A. Maritime transport

Japan has specific commitments on maritime transport. Restrictions relate in particular to international maritime transport (unbound in all modes), auxiliary services such as cargo-handling, customs clearance and container stations are not committed.

EC Request: Take commitments in accordance with the attached model schedule (Annex 1). In particular for the following areas:

- 1) International transport (freight and passengers) CPC 7211 and 7212
- 2) Additional commitments for access to and use of ports facilities
- 3) Maritime auxiliary services (maritime cargo handling, storage and warehouse services, customs clearance services, container station and depot services, maritime agency services)
- 4) Multimodal activities: for inland forwarding of cargoes - commit the ability to rent or lease - or to have access to and use of multimodal facilities (as specified in the note to the schedule).
- 5) Definitions – commit definitions as specified in the model schedule.

The EC also request the following additional maritime commitments from Japan:

- 6) Equipment. To facilitate planning of their businesses operators should be allowed to reposition their own equipment, such as empty containers, between ports of Japan, when it is not carried against payment. This is requested to be committed in a new footnote:
“9. Movement of own equipment. International maritime transport suppliers can move/reposition their own equipment (i.e. empty containers, flatbeds etc.) on their own vessels between ports of Japan.”
- 7) International cargo. Notwithstanding the general exclusion of “cabotage” in the definitions of the model schedule (see Annex 1) an international maritime transport supplier should be allowed to operate feeder services for its own international cargo between ports of Japan. This is requested to be committed in a new footnote:
“10. Notwithstanding the exclusion of “cabotage” in definition 1 above international maritime transport suppliers can operate vessels for the purposes of pre- and onward carriage of the international cargo between ports of Japan“

In this context Japan may wish to take the one or more of the following principles into concern:

- Size of the port. Only valid for international cargo relayed between national ports handling more than [25.000 TEU] on an annual basis.
- Binding existing ad hoc practices. To the extent exceptions are already granted for use of foreign flagged vessels such practices could be bound to explicitly cover pre- and onward carriage of international cargo.
- Geographical limitations. Transport of international cargo between ports within the same prefecture [or other relevant regional entity] remains excluded.

A final request related to maritime transport is:

8) Rental and leasing of vessels with crew (CPC 7213, 7223).

EC Request:

- Modes 1, 2 and 3: Take full commitments, i.e. schedule “none”, under MA and NT
- Mode 4: Commit as in horizontal commitments.

B. Internal waterways:

Japan has no commitments for this activity.

c) Rental and leasing of vessels with crew (CPC 7213, 7223)

EC Request:

- Modes 1, 2 and 3: Take full commitments, i.e. schedule “none”, under MA and NT
- Mode 4: Commit as referred in the section “Horizontal commitments”

C. Air transport

Japan has commitments for *maintenance and repair of aircraft and parts thereof, selling and marketing, and computer reservation systems*. The EC shall ask Japan to also consider the following areas:

1) Maintenance and repair of aircraft and parts thereof.

Japan has schedules a restriction relating to licensing

EC Request:

- Modes 2 and 3: Take full commitments, i.e. schedule “none”, under MA and NT
- Mode 4: Commit as referred in the section “Horizontal commitments”

- 2) Groundhandling services, as specified in the attached definitions (Annex 2).
EC Request:
 - Modes 2 and 3: Take full commitments, i.e. schedule “none”, under MA and NT
 - Mode 4: Commit as referred in the section “Horizontal commitments”
- 3) Airport management services, as specified in the attached definitions (Annex 2).
EC Request:
 - Mode 3: Take full commitments, i.e. schedule “none”, under MA and NT
 - Mode 4: Commit as referred in the section “Horizontal commitments”

F. Road transport

- b) Freight Transportation (CPC 7123).
 Japan has specific commitments for this activity, with a restrictions related to emergency safeguard measures for licensing.
EC Request:
 - Mode 3: Take full commitments, i.e. schedule “none”, under MA and NT
 - Mode 4: Commit as referred in the section “Horizontal commitments”
- d) Maintenance and Repair of Road Transport Equipment (CPC 6112)
EC Request:
 - Modes 1, 2 and 3: Take full commitments, i.e. schedule “none”, under MA and NT
 - Mode 4: Commit as referred in the section “Horizontal commitments”

H. Services Auxiliary to All Modes of Transport

- b) Storage and Warehouse Services (CPC 742)
 Japan has specific commitments for this activity, with a restrictions related to certain products (petroleum and petroleum products)
EC Request:
 - Modes 2 and 3: Take full commitments, i.e. schedule “none”, under MA and NT
 - Mode 4: Commit as referred in the section “Horizontal commitments”
- c) Freight Transport Agency/Freight Forwarding Services (CPC 748) and Pre-Shipment Inspection (part of CPC 749)
 Japan has specific commitments for this activity but restricted to a maritime context.
EC Request:
 Modes 1, 2 and 3: Take full commitments, i.e. schedule “none”, under MA and NT
 Mode 4: Commit as referred in the section “Horizontal commitments”

Annex 1: SCHEDULE ON MARITIME TRANSPORT SERVICES

<p>TRANSPORT SERVICES</p> <p>MARITIME TRANSPORT SERVICES</p> <p>International Transport (freight and passengers) CPC 7211 and 7212 <u>less</u> cabotage transport</p>	<p>1) (a) <u>Liner Shipping</u>: none</p> <p>(b) <u>Bulk, tramp, and other international shipping, including passenger transportation</u>: none</p>	<p>1) (a) None</p> <p>(b) None</p>	<p>The following services at the port are made available to international maritime transport suppliers on reasonable and no discriminatory terms and conditions</p> <ol style="list-style-type: none"> 1. Pilotage 2. Towing and tug assistance 3. Provisioning, fuelling and watering 4. Garbage collecting and ballast waste disposal 5. Port Captain's services 6. Navigation aids 7. Shore-based operational services essential to ship operations, including communications, water and electrical supplies 8. Emergency repair facilities 9. Anchorage, berth and berthing services <p>1) See note</p>
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<p>TRANSPORT SERVICES MARITIME TRANSPORT SERVICES</p> <p>International Transport (freight and passengers) CPC 7211 and 7212 <u>less</u> cabotage transport (cont.)</p>	<p>2) None</p> <p>3) (a) Establishment of registered company for the purpose of operating a fleet under the national flag of the State of establishment: unbound</p> <p>(b) Other forms of commercial presence for the supply of international maritime transport services (as defined below – 2): none</p> <p>4) (a) Ships’ crews: unbound</p> <p>(b) Key personnel employed in relation to a commercial presence as defined under mode 3b) above: Unbound except as in horizontal section</p>	<p>2) None</p> <p>3) (a) Unbound</p> <p>(b) None</p> <p>4) (a) Unbound</p> <p>(b) Unbound except as in horizontal section</p>	<p>3) (b) See Notes 2, 3,</p>
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MARITIME AUXILIARY SERVICES			
Maritime Cargo Handling Services (as defined below – 4)	1)	Unbound* except for – no limitation on transshipment (board to board or via the quay) and/or on the use of on-board cargo handling equipment	1) Unbound* except for no limitation on transshipment (board to board or via the quay) and/or on the use of on-board cargo handling equipment
	2)	None	2) None
	3)	None**	3) None
	4)	Unbound except as in horizontal section	4) Unbound except as in horizontal section
Storage and warehousing Services CPC 742	1)	Unbound*	1) Unbound*
	2)	None	2) None
	3)	None**	3) None
	4)	Unbound except as in horizontal section	4) Unbound except as in horizontal section
Customs Clearance Services (as defined below – 5)	1)	Unbound*	1) Unbound*
	2)	None	2) None
	3)	None**	3) None
	4)	Unbound except as in horizontal section	4) Unbound except as in horizontal section

MARITIME AUXILIARY SERVICES (cont.)			
Container Station and Depot Services (as defined below – 6)	1)	Unbound [*]	1) Unbound*
	2)	None	2) None
	3)	None ^{**}	3) None
	4)	Unbound except as in horizontal section	4) Unbound except as in horizontal section
Maritime Agency Services (as defined below – 7)	1)	None	1) None
	2)	None	2) None
	3)	None	3) None
	4)	Unbound except as in horizontal section	4) Unbound except as in horizontal section
(Maritime) Freight Forwarding Services (as defined below - 8)	1)	None	1) None
	2)	None	2) None
	3)	None	3) None
	4)	Unbound except as in horizontal section	4) Unbound except as in horizontal section

^{*} A commitment on this mode of delivery is not feasible.

^{**} Public utility concession or licensing procedures may apply in case of occupation of the public domain.

NOTE TO THE SCHEDULE

Where road, rail, inland waterways (and) (related) (auxiliary) services are not otherwise fully covered in (this) (a Member's) schedule, a multimodal transport operator shall have the ability to rent or lease trucks, railway carriages or barges, and related equipment, for the purpose of inland forwarding of cargoes, or have access to, and use of, these forms of multimodal activities on reasonable and non-discriminatory terms and conditions for the purpose of carrying out multimodal transport operations. (« Reasonable and non-discriminatory terms and conditions » means, for the purpose of (multimodal transport operations), (this additional commitment), the ability of the multimodal transport operator to arrange for the conveyance of its merchandise on a timely basis, including priority over other merchandise which has entered the port at a later date).

DEFINITIONS

1. Without prejudice to the scope of activities which may be considered as « cabotage » under the relevant national legislation, this schedule does not include « maritime cabotage services », which are assumed to cover transportation of passengers or goods between a port located in ... (name of country or, for EEC, « a Member State ») and another port located in ... (name of the country or, for EEC, « the same Member State ») and traffic originating and terminating in ... the same port located in (name of country, or for the EEC, « a Member State ») provided that this traffic remains within ... (name of country or « this Member State »)'s territorial waters.
2. « Other forms of commercial presence for the supply of international maritime transport services » means the ability for international maritime transport service suppliers of other Members to undertake locally all activities which are necessary for the supply to their customers of a partially or fully integrated transport service, within which the maritime transport constitutes a substantial element. (This commitment shall however not be construed as limiting in any manner the commitments undertaken under the cross-border mode of delivery).

These activities include, but are not limited to:

- (a) marketing and sales of maritime transport and related services through direct contact with customers, from quotation to invoicing, these services being those operated or offered by the service supplier itself or by service suppliers with which the service seller has established standing business arrangements;
- (b) the acquisition, on their own account or on behalf of their customers (and the resale to their customers) of any transport and related services, including inland transport services by any mode, particularly inland waterways, road and rail, necessary for the supply of the integrated services;
- (c) the preparation of documentation concerning transport documents, customs documents, or other documents related to the origin and character of the goods transported;
- (d) the provision of business information by any means, including computerised information systems and electronic data interchange (subject to the provisions of the annex on telecommunications);
- (e) the setting up of any business arrangements (including participation in the stock of a company) and the appointment of personnel recruited locally (or, in the case of foreign personnel, subject to the horizontal commitment on movement of personnel) with any locally established shipping agency;

- (f) acting on behalf of the companies, organising the call of the ship or taking over cargoes when required.
3. « Multimodal transport operators » means the person on whose behalf the bill of lading /multimodal transport document, or any other document evidencing a contract of multimodal carriage of goods, is issued and who is responsible for the carriage of goods pursuant to the contract of carriage.
4. « Maritime cargo handling services » means activities exercised by stevedore companies, including terminal operators, but not including the direct activities of dockers, when this workforce is organised independently of the stevedoring or terminal operator companies. The activities covered include the organisation and supervision of:
- the loading/discharging of cargo to/from a ship;
 - the lashing/unlashing of cargo;
 - the reception/delivery and safekeeping of cargoes before shipment or after discharge.
5. « Customs clearance services » (alternatively « customs house brokers' services ») means activities consisting in carrying out on behalf of another party customs formalities concerning import, export or through transport of cargoes, whether this service is the main activity of the service provider or a usual complement of its main activity.
6. « Container station and depot services » means activities consisting in storing containers, whether in port areas or inland, with a view to their stuffing/stripping, repairing and making them available for shipments.
7. « Maritime agency services » means activities consisting in representing, within a given geographic area, as an agent the business interests of one or more shipping lines or shipping companies, for the following purposes:
- marketing and sales of maritime transport and related services, from quotation to invoicing, and issuance of bills of lading on behalf of the companies, acquisition and resale of the necessary related services, preparation of documentation, and provision of business information;
 - acting on behalf of the companies organising the call of the ship or taking over cargoes when required.
8. « Freight forwarding services » means (the activity consisting of organising and monitoring shipment operations on behalf of shippers, through the acquisition of transport and related services, preparation of documentation and provision of business information).

Annex 2 Facilitating air transport services

Ground-handling Services

Efficient ground-handling is essential to the proper functioning of air transport and competition between operators in this area ensures that proper use is made of air transport infrastructure. It helps reduce the operating costs of airlines and improves the quality of service for airport users.

For specialised groundhandling suppliers the following activities are requested:

- Ground Administration – supervision and administration at the airport (CPC 7461);
- Passenger Handling – assisting arriving, departing and transfer passengers (CPC 7461);
- Baggage Handling – handling baggage in the sorting area (CPC 7461);
- Freight and Mail Handling – physical handling of freight and mail, dealing with security and customs procedures (CPC 74110 (container handling services) and 74190 (other cargo handling services);
- Ramp Handling – marshalling and moving the aircraft, loading and unloading of aircraft, transport of passengers, freight, supplies (CPC 7469).
- Aircraft Services – cleaning the aircraft, heating and cooling, removal of snow and ice (CPC 7469);
- Fuel and Oil Handling – organisation and provision of fuel and oil;
- Aircraft Maintenance – covered specifically by the Annex as above;
- Flight Operations and Crew Administration – preparation of the flight, inflight and post-flight assistance, crew administration;
- Surface Transport – organisation and execution of transport within airport – except to and from aircraft;
- Catering Services – administration, storage, preparation and delivery of bar and food supplies (CPC 6423). *[Catering is listed for only for information purposes as this activity is classified and committed by Japan as part of tourism services]*

Airport management services

Airport management services constitute the core activities of airport services providers and cover: Airport operation services (excl. cargo handling), including passenger air terminal services and ground services on air fields, including runway operating services, on a fee or contract CPC 74610. Activities are also related to “other management consulting services” (CPC 86509) and activities separately specified under “other management services not elsewhere classified”(CPC 86609). A commitment will allow services suppliers to take an equity stake in - and engage in the overall operation and

management of - airports when these are open for investments from private operators. Thereby it will bind existing common practices in the sector.

ENERGY SERVICES

EC request to JAPAN

This request includes services that are listed under the negotiating proposal of the EU (S/CSS/W/60) . The work on the classification of these services is still underway. For this reason, some activities therefore lacks reference to CPC.

The EC requests that this area is committed as follows :

A. Services related to exploration and production

- CPC 883: Services incidental to mining

This sub-sector is not committed. **EC Request:**

- Mode 3 : Take full commitments, i.e. schedule "none".
- Mode 4 : Commit as referred in the section "Horizontal commitments".

- CPC 8675: Related scientific and technical consulting services

EC Request:

- Mode 3 and 4: Eliminate the exclusion for services related to petroleum and gas.

- CPC 511 and CPC 513: Construction and related engineering services

EC Request:

- Mode 3 and 4: Eliminate the exclusion for services related to mining.
- Mode 3: NT – Japan’s schedule reads “None except as indicated in horizontal commitments”. **EC Request:** Please refer to the horizontal section of the EC Request in this respect.

B. Services related to the construction of energy facilities

B.1 Construction of energy facilities

- CPC 513: For constructions for mining and manufacturing

EC Request:

- Mode 3 and 4: Eliminate the exclusion for services related to mining.
- Mode 3: NT – Japan’s schedule reads “None except as indicated in horizontal commitments”. **EC Request:** Please refer to the horizontal section of the EC Request in this respect.

B.2 Installation and assembly work

CPC 516: Installation and assembly work

EC Request:

- Mode 3 and 4: Eliminate the exclusion for services related to mining.

- Mode 3: NT – Japan’s schedule reads “None except as indicated in horizontal commitments”. **EC Request:** Please refer to the horizontal section of the EC Request in this respect.

C. Services related to networks

C.1 Operation of transportation/transmission and distribution facilities

- CPC 887: Services incidental to energy distribution

This sub-sector is not committed. **EC Request:**

- Modes 3 : Take commitments for operation of networks not part of the integrated system.
- Mode 4 : Commit as referred in the section "Horizontal commitments".

- CPC 71310: Transportation of petroleum and natural gas

This sub-sector is not committed. **EC Request:**

- Modes 3 : Take commitments for operation of networks not part of the integrated system.
- Mode 4 : Commit as referred in the section "Horizontal commitments".

D. Storage services

- CPC 74220: Bulk storage services of liquids or gases

This sub-sector is not committed. **EC Request:**

- Mode 3 : Take full commitments, i.e. schedule "none".
- Mode 4 : Commit as referred in the section "Horizontal commitments".

E. Services for the supply of energy

E.1 Wholesale of energy products

Wholesale trade services of electricity

EC Request:

- Modes 3 : Take full commitments, i.e. schedule “none”
- Mode 4 : Commit as referred in the section "Horizontal commitments".

E.3 Trading of energy products

EC Request:

- Modes 1, 2, 3 : Take full commitments, i.e. schedule “none”.
- Mode 4 : Commit as referred in the section "Horizontal commitments".

E.4 Brokering of energy products

EC Request:

- Modes 1, 2, 3 : Take full commitments, i.e.schedule “none”.
- Mode 4 : Commit as referred in the section "Horizontal commitments".

G. Services related to decommissioning

EC Request:

- Modes 3 : Take full commitments, i.e. schedule "none".
- Mode 4 : Commit as referred in the section "Horizontal commitments".