

<b>AD HOC 133 COMMITTEE</b>
<b>SERVICES</b>
<b>MD</b> : 067/02
<b>SOURCE</b> : Commission
<b>FOR</b> : Discussion
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### **GATS 2000**

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

**to**

### **South Africa**

#### **General remarks**

This request covers horizontal commitments, MFN exemptions and the following service sectors:

- Professional services
- Business services (other than professional services)
- Postal and courier services
- Telecommunications services
- Construction and related engineering services
- Distribution services
- Environmental services
- Financial services (banking, insurance, securities, other)
- Tourism and travel related services
- News agency services
- Transport (air, maritime, land, other) services
- Energy

The EC proposes that South Africa'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 (hereafter “MA”) or on national treatment (hereafter “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:	<b>Ulrike Hauer</b> Tel : 32-2-2969958 e-mail : <a href="mailto:ulrike.hauer@cec.eu.int">ulrike.hauer@cec.eu.int</a>
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*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 South Africa**

#### **Mode 3**

Local borrowing by SA registered companies with a non-resident shareholding of 25% or more is limited. **EC request:** remove discriminatory treatment with regard to access to credit for companies with non-resident shareholding of more than 25%.

#### **Mode 4**

##### **Intra-corporate transferees :**

- The EC 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 South Africa, who has obtained a service contract in South Africa which requires the presence of its employees in South Africa 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

Management consulting services

Services related to management consulting

Related scientific and technical consulting services

## 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 requirement to obtain a police certificate of good behaviour in support of a work visa, as well as the requirement to obtain an affidavit from the absent spouse. The EC wishes to discuss the possibility of taking additional commitments to address these issues.

*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 South Africa**

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

#### **a. Legal Services (CPC 861)**

- Modes 1 and 2: MA and NT – These modes remain unbound. **EC Request:** Take full commitments, i.e. schedule none, under MA and NT for consultancy on international public law and on law of jurisdiction where the service supplier or its personnel are qualified lawyers

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

- This sub-sector is not committed for accounting services (CPC 86212 other than auditing services, 86213 and 86219) and bookkeeping services (CPC 8622). **EC Request:** Extend sectoral coverage of commitments to this CPCs
- Mode 1: MA and NT – This mode remains unbound. **EC Request:** Take full commitments, i.e. schedule none, under MA and NT, for accounting and bookkeeping services
- Mode 2: MA and NT – This mode remains unbound. **EC Request:** Take full commitments, i.e. schedule none, under MA and NT, for the entire CPC 862
- Mode 3: NT – Citizenship requirement for accreditation. **EC Request:** Remove

#### **d. Architectural services (CPC 8671)**

- Modes 1 and 2: MA – Requirement of locally registered architect for building plans of 500 m<sup>2</sup> and over. **EC Request:** Remove

## **BUSINESS SERVICES (other than Professional Services)**

### **EC request to South Africa**

#### **Computer and Related Services :**

This sub-sector has only been partially committed. **EC request:** Extend coverage to include CPC 849 and 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 :**

South Africa has not committed this Sector. The EC requests that it 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 and 3 : Take full commitments, i.e. schedule "none" under MA and NT.
- Mode 4 : Commit as referred to in the section "Horizontal commitments".

#### **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.*

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

##### **a. Advertising (CPC 871)**

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".

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

South Africa appears to have limited its commitment to “**engineering** related scientific and technical consulting services”. **EC request:** Please clarify extent of existing commitment.

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

South Africa has not committed the sub-sectors 8861-8866. **EC request:**  
Extend sectoral coverage to these sub-sectors as follows:

- Mode 1,2,3: Take full commitments, scheduled as “none” for MA and NT.
- Mode 4: Committed as indicated under the horizontal section.

## **POSTAL AND COURIER SERVICES**

### **EC request to South Africa**

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.

South Africa has only partially committed this sector (commitments in courier services). The EC requests South Africa to commit this sector as follows, based on the EC proposal for the revised classification of postal and courier services:

**Services relating to the handling<sup>1</sup> of postal items<sup>2</sup>, whether for domestic or foreign destinations:**

**A. Handling of addressed written communications on any kind of physical medium<sup>3</sup>, including:**

**- Hybrid mail services**

**- Direct mail**

**B. Handling of addressed parcels and packages<sup>4</sup>**

**C. Handling of addressed press products<sup>5</sup>**

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

**E. Express delivery services<sup>6</sup> for items referred to in A. to C. above.**

**F. Handling of non-addressed items.**

**G. Document exchange.**

**H. Other services not elsewhere specified.**

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1 The term “handling” should be taken to include clearance, sorting, transport and delivery.

2 “Postal item” refers to items handled by any type of commercial operator, whether public or private.

3 E.g. letter, postcards.

4 Books, catalogues are included hereunder.

5 Journals, newspapers, periodicals.

6 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 South Africa

South-Africa has only partially committed this Sector. The EC requests that this Sector is committed as follows :

**1- As regards non value-added services:** these services are (a) Voice services, except over value-added networks (b) Packet-switched data transmission services, (c) Circuit-switched data transmission services, (d) Telex services, (f) Facsimile services, (g) Private leased circuit services, Paging services, Personal radio communication services, Trunked radio system services, Mobile Cellular, including mobile data, Satellite-based services:

#### All Modes

The services can only be supplied on a facilities basis. **EC request:** suppress this limitation. Indeed, the schedule already states that Liberalization of resale services is to take place between 2000 and 2003.

#### Modes 1 and 3

The number of operators is limited to two (three for Mobile Cellular). **EC request:** suppress this restriction.

#### Mode 3

Foreign investment in suppliers permitted up to a cumulative maximum of 30 per cent. **EC request:** suppress this ceiling.

#### Additional commitments

As regards interconnection rates with major suppliers, South Africa has introduced an amendment to the reference paper of the Basic Telecommunications negotiations. Indeed, additional commitments state that: The authorities may determine different rates in respect of different services rendered in different areas under different circumstances or may determine rates which may be higher or lower than the normal rates providing that the determination of such rates is done on a non-discriminatory basis. **EC request:** explain the rationale for such arbitrary rates.

#### **2- As regards value-added services**

Value added services cover, under South Africa's schedule, Electronic mail (CPC 7523), i) Voice mail (CPC 7523), j) On-line information and data base retrieval, (CPC 7523), k) Electronic data interchange (EDI) (CPC 7523), l) Enhanced/value-added facsimile services, including store and forward, store and retrieve (CPC 7523), m) Code and protocol conversion.

#### Modes 1 and 3

For all value-added services, there are limitations on the bypass of South African facilities for routing of domestic and international traffic. **EC request:** remove these restrictions.

For all value-added services, Telkom is acting as a de facto regulator by means of agreements entered into with VANS providers in South Africa. **EC request:** introduce a regulator that is independent of all operators, allow an unlimited number of operators and, if licences are necessary, a licensing regime that abides by the principle of the reference paper (in short extend the reference paper to value-added services).

VANS providers can only provide international services with the consent of Telkom SA Ltd. **EC request:** remove this limitation.

### **Mode 2 - Consumption abroad**

There is no commitment on market access for value-added services. **EC request:** Make full commitments for all these sub-sectors, i.e. schedule “None” on market access.

## **CONSTRUCTION AND RELATED ENGINEERING SERVICES**

### **EC request to South Africa**

#### **General**

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

#### **E. Other (CPC 511+515+518)**

This sub-sector is not committed. **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”.

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

## **DISTRIBUTION SERVICES**

### **EC request to South Africa**

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

#### **A. Commission agents' services (CPC 621, 6111+6113+6121)**

This sub-sector 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".

#### **B. Wholesale trade services (CPC 622, 6111+6113+6121)**

The distribution of motor vehicles (CPC 6111+6113+6121) 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".

#### **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 South Africa**

The EC requests South Africa 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)

#### **B. Solid/hazardous waste management**

- Refuse disposal services (CPC 94020)
- Sanitation and similar services (CPC 94030)

#### **C. Protection of ambient air and climate**

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

#### **D. Remediation and cleanup of soil & water**

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

#### **E. Noise & vibration abatement**

- Noise abatement services (CPC 94050)

#### **F. Protection of biodiversity and landscape**

- Nature and landscape protection services (part of CPC 94060)

#### **G. Other environmental & ancillary services**

- Other environmental protection services not classified elsewhere (CPC 94090)

For each of the above sub-sectors :

- Remove limitation of all commitments to consultancy services only, and for modes 1 (where technically feasible), 2 and 3 : Undertake full commitments for market access and national treatment.
- Mode 4 : Commit as referred in the section "Horizontal commitments".

## FINANCIAL SERVICES

### EC request to South Africa

#### General

- **EC Request:** Undertake commitments in accordance with the Understanding on Commitments in Financial Services.

#### Insurance

- Mode 1: MA and NT - MAT and insurance of risks relating to goods in international transit not committed. **EC Request:** Take full commitments on mode 1 supply of Marine, Aviation and Transport insurance.
- Mode 1: MA and NT – Reinsurance and retrocession are not committed. **EC Request:** Take full commitments on mode 1 supply of reinsurance and retrocession.
- Mode 1: MA and NT – Mandatory reinsurance deposit requirement if reinsurer is not established locally. **EC Request:** Eliminate mandatory deposit requirement.
- Mode 3: MA – Discretionary authorisation required for acquisitions in excess of 25% in locally incorporated insurance companies. **EC Request:** Eliminate authorisation requirement.
- Mode 3: MA – Direct branching in insurance not permitted. **EC Request:** Take commitments on direct branching.
- Mode 3: MA – Residency requirement applying to executive chairpersons, public officer, and the majority of directors and life insurance actuaries. **EC Request:** Remove residency requirement.

#### Banking and other financial services

- Mode 1: MA and NT - Advisory, intermediation and other auxiliary financial services to banking and other financial services are not committed. **EC Request:** Take MA and NT commitments on mode 1, as well as on NT in mode 2.
- Mode 1: MA and NT - Provision and transfer of financial information, and data processing relating to banking, and other financial services are not

committed. **EC Request:** Take MA and NT commitments on mode 1, as well as on NT in mode 2.

- Mode 3: NT – Foreign banks' branches are not allowed to use parent's capital to meet prudential requirements, even if their home country regulation and supervision has implemented Basle or equivalent standards.

**EC Request:** Allow foreign banks' branches to use parent's capital.

- Mode 3: NT – Discriminatory capital requirements affecting foreign banks operating as branches. Parent company must have capital of US\$ 400 million (group: US\$1 billion), and a minimum individual deposit of 1 million Rand.

**EC Request:** Remove discriminatory capital requirements.

- Mode 3: MA – Prohibition on foreign banks from using global capital as open exchange position (net open foreign currency position limited to 15% of branch capital and reserves). **EC Request:** Remove restrictions on dealings in foreign exchange.

- Mode 3: MA – Application of foreign exchange controls, including placing limits on foreign currency dealings, which restricts offshore arbitrage.

**EC Request:** Remove restrictions on dealings in foreign exchange.

- Mode 3: MA – Restriction of access for foreign banking firms to the stock exchange (application procedure, obligation to buy "JSE rights").

**EC Request:** Remove registration requirement.

### **MFN exemption Financial Services**

South Africa maintains an MFN exemption under which Members of the Common Monetary Area enjoy preferential access to the South African capital and money market, and the transfer of funds, to and from the area of any other member of the CMA, is exempt from exchange controls. **EC request:** Clarify measures and extent to which preferential access to capital and money markets for the members of the CMA is granted.

## **TOURISM AND TRAVEL RELATED SERVICES**

### **EC request to South Africa**

#### **A. Hotels and restaurants (incl. catering) (CPC 641-643)**

Extend sectoral scope to include all restaurant services (CPC 642-643) and undertake full commitments in mode 1, 2 and 3.

Mode 4 : Commit as referred in the section "Horizontal commitments".

## **NEWS AGENCY SERVICES**

### **EC request to South Africa**

South Africa has not committed this sector (CPC 962). The EC requests that this Sector be committed as follows:

#### **EC Request (CPC 962):**

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

## TRANSPORT SERVICES

### EC request to South Africa

#### A. Maritime transport

South Africa has no specific commitments for maritime transport.

**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 South Africa:

- 6) Equipment. To facilitate planning of their businesses operators should be allowed to reposition their own equipment, such as empty containers, between ports of South Africa, 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 South Africa.”*
- 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 South Africa. 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 South Africa.”*

In this context South Africa 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 province [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:**

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**

South Africa has no commitments for air transport

1) Maintenance and repair of aircraft and parts thereof.

**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) Selling and marketing.

**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”

3) Computer Reservation Systems.

**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”

4) 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”
- 5) 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”

### **E. Rail transport**

South Africa has no commitments for rail transport

d) Maintenance and Repair of Rail Transport Equipment (CPC 8868).

**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”

### **F. Road transport**

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”

### **MFN exemption: Road transportation**

South Africa has a MFN-exemption for measures under regional bilateral and plurilateral road transport agreements providing for the transport rights to carry goods and passengers to or from South Africa and between third countries concerned, to be reserved for the road transport operators of the contracting parties to existing and future agreements. Cabotage restricted to South African registered vehicles and operators.

**EC request:** Limit exemptions to relevant measures (for example taxation issues and country of registrations for vehicles).

### **H. Services Auxiliary to All Modes of Transport**

b) Storage and Warehouse Services (CPC 742)

**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-Shipments Inspection (part of CPC 749)

**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

Sector or Sub-Sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<b>TRANSPORT SERVICES</b>  <b>MARITIME TRANSPORT SERVICES</b>  International Transport (freight and passengers) CPC 7211 and 7212 <u>less</u> cabotage transport	1) (a) <u>Liner Shipping</u> : none  (b) <u>Bulk, tramp, and other international shipping, including passenger transportation</u> : none	1) (a) None  (b) None	The following services at the port are made available to international maritime transport suppliers on reasonable and no discriminatory terms and conditions  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  1) See note
<b>TRANSPORT SERVICES MARITIME TRANSPORT SERVICES</b>  International Transport (freight and passengers) CPC 7211 and 7212 <u>less</u>	2) None	2) None	

Sector or Sub-Sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
cabotage transport (cont.)	<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>3) (a) Unbound</p> <p>(b) None</p> <p>4) (a) Unbound</p> <p>(b) Unbound except as in horizontal section</p>	3) (b) See Notes 2, 3,
<b>MARITIME AUXILIARY SERVICES</b>  Maritime Cargo Handling Services (as defined below – 4)	<p>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</p> <p>2) None</p>	<p>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</p> <p>2) None</p>	

Sector or Sub-Sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Storage and warehousing Services CPC 742	3) None** 4) Unbound except as in horizontal section	3) None 4) Unbound except as in horizontal section	
Customs Clearance Services (as defined below – 5)	1) Unbound* 2) None 3) None** 4) Unbound except as in horizontal section 1) Unbound* 2) None 3) None** 4) Unbound except as in horizontal section	1) Unbound* 2) None 3) None 4) Unbound except as in horizontal section 1) Unbound* 2) None 3) None 4) Unbound except as in horizontal section	
<b>MARITIME AUXILIARY SERVICES (cont.)</b>			
Container Station and Depot Services (as defined below – 6)	1) Unbound* 2) None 3) None** 4) Unbound except as in horizontal	1) Unbound* 2) None 3) None 4) Unbound except as in horizontal	

\* 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.

<b>Sector or Sub-Sector</b>	<b>Limitations on Market Access</b>	<b>Limitations on National Treatment</b>	<b>Additional Commitments</b>
Maritime Agency Services (as defined below – 7)	section 1) None 2) None 3) None 4) Unbound except as in horizontal section	section 1) None 2) None 3) None 4) Unbound except as in horizontal section	
(Maritime) Freight Forwarding Services (as defined below - 8)	1) None 2) None 3) None 4) Unbound except as in horizontal section	1) None 2) None 3) None 4) Unbound except as in horizontal section	

## 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 inward 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 South Africa 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 South Africa**

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 8675: Related scientific and technical consulting services

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 511: Construction and related engineering services

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".

#### **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 commitments
- 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 for non-network energy products and commitments for network-energy products.
- 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 for non-network energy products and commitments for network-energy products
- 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".

## **MFN EXEMPTIONS**

### **EC request to South Africa**

MFN exemption for road transport: Refer to request on road transport.

MFN exemption financial services: Refer to request on financial services.