

**JAPAN - LIST OF ARTICLE II (MFN) EXEMPTIONS**

Sector or sub-sector	Description of measure indicating its inconsistency with Article II	Countries to which the measure applies	Intended duration	Conditions creating the need for the exemption
Maritime cabotage services <sup>1</sup>	Right of engaging in maritime cabotage services is reserved to Japanese vessels, except for vessels of a limited number of countries which are granted right of limited access pursuant to treaties of friendship, commerce and navigation with Japan.	All countries	This measure shall be maintained as long as the treaties referred to in the second column remain in force.	While maritime cabotage services are generally not permitted to foreign vessels, it is a well established international practice for major trading partners to grant limited access to maritime cabotage services to foreign vessels on reciprocal basis or for other considerations.
International freight forwarding services	An operation permit or governmental registration for international freight forwarding services (including services related to multimodal transport services <sup>2</sup> ) is granted only to those firms of the countries in which Japanese firms are eligible for such permit or qualified for such registration.	All countries <sup>3</sup>	Termination of this measure shall be considered depending upon the outcome of present and subsequent rounds of negotiations for trade liberalisation.	Some major trading partners do not accord Japanese nationals satisfactory access to the supply of international freight forwarding services (including services related to multimodal transport services <sup>2</sup> ) in their territories.
International shipping services (including passenger transportation and freight transportation services)	Restriction or prohibition of a) entry in Japanese ports and b) loading or unloading of cargoes in Japanese ports for a designated period may be imposed as a countermeasure on operators of vessels who belong to the country in which interests of Japanese operators continue to be substantially damaged, in spite of prior notification of taking such measure, under unfavourable treatment imposed on them by that country or by local authorities or similar entities of that country.	All countries	Termination of this measure shall be considered depending upon the outcome of present and subsequent rounds of negotiations for trade liberalization.	Some major trading partners may impose unfavourable treatment on Japanese vessels operators in their territories.

<sup>1</sup> "Maritime cabotage services" covers transportation of passengers or goods between a port located in Japan and another port located in Japan and traffic with passengers aboard originating and terminating in the same port located in Japan.

<sup>2</sup> "Multimodal transport services" means freight transport services combining international maritime transport and road/railroad transport, provided on 'door to door' basis by a multimodal transport operator (as defined in paragraph 2 of Note to the specific commitments in the sectors of maritime transport services and maritime auxiliary transport services in the schedule of specific commitments of Japan).

<sup>3</sup> Note (Information provided for transparency purpose):

An operation permit or governmental registration referred to in this column will be granted to the firms of any other Member making commitments for international freight forwarding services without any limitation under the Agreement after the full implementation of these commitments is confirmed.