

Annex I  
Reservations for Measures referred to  
in paragraph 1 of Article 10

1. The Schedule of a Contracting Party sets out, pursuant to paragraph 1 of Article 10, the reservations taken by that Contracting Party with respect to existing measures that do not conform with obligations imposed by:

- (a) Article 3 (National Treatment);
- (b) Article 4 (Most-Favored-Nation Treatment);
- (c) Article 8 (Performance Requirements); or
- (d) Article 9 (Senior Management and Boards of Directors).

2. Each reservation sets out the following elements:

- (a) "Sector" refers to the general sector in which the reservation is taken;
- (b) "Sub-Sector" refers to the specific sector in which the reservation is taken;
- (c) "Industry Classification" refers, where applicable, and only for transparency purposes, to the activity covered by the reservation according to domestic or international industry classification codes;
- (d) "Type of Reservation" specifies the obligations referred to in paragraph 1 for which the reservation is taken;
- (e) "Level of Government" indicates the level of government maintaining the measure for which the reservation is taken;
- (f) "Measures" identifies the existing laws, regulations or other measures for which the reservation is taken. A measure cited in the "Measures" element:
  - (i) means the measure as amended, continued, or renewed as of the date of entry into force of this Agreement; and
  - (ii) includes any subordinate measure adopted or maintained under the authority of and consistent with the measure; and

- (g) "Description" sets out, with regard to the obligations referred to in paragraph 1, a general, non-binding description of the non-conforming aspects of the existing measures for which the reservation is taken.

3. In the interpretation of a reservation, all elements of the reservation shall be considered. A reservation shall be interpreted in the light of the relevant provisions of this Agreement against which the reservation is taken. The "Measures" element shall prevail over all the other elements.

4. In accordance with paragraph 1 of Article 10, the obligations specified in the "Type of Reservation" element do not apply to the laws, regulations, or other measures identified in the "Measures" element.

5. For the purposes of this Annex, "JSIC" means Japan Standard Industrial Classification set out by the Ministry of Internal Affairs and Communications, and revised on November 6, 2007.

Schedule of Japan

1 Sector:	Agriculture, Forestry and Fisheries (Plant Breeder's Right)	
Sub-Sector:		
Industry Classification:	JSIC 0119	Miscellaneous crop farming
	JSIC 0243	Tree seed gathering and forest nursery services
	JSIC 0413	Seaweed aquaculture
	JSIC 0415	Seed aquaculture
Type of Reservation:	National Treatment (Article 3) Most-Favored-Nation Treatment (Article 4)	
Level of Government:	Central Government	
Measures:	Seeds and Seedlings Law (Law No. 83 of 1998), Article 10	
Description:	A foreign person who has neither a domicile nor residence (nor the place of business, in the case of a legal person) in Japan cannot enjoy a plant breeder's right or related rights except in any of the following cases:  (a) where the country of which the person is a national or the country in which the person has a domicile or residence (or its place of business, in the case of a legal person) is a contracting party to the International Convention for the Protection of New Varieties of Plants of December 2, 1961, as Revised at Geneva on November 10, 1972, on October 23, 1978, and on March 19, 1991;	

(b) where the country of which the person is a national or the country in which the person has a domicile or residence (or its place of business, in the case of a legal person) is a contracting party to the International Convention for the Protection of New Varieties of Plants of December 2, 1961, as Revised at Geneva on November 10, 1972, and on October 23, 1978 (hereinafter referred to in this Annex as "the 1978 UPOV Convention"), or a country in relation with which Japan shall apply the 1978 UPOV Convention in accordance with paragraph (2) of Article 34 of the 1978 UPOV Convention, and further provides the protection for plant genus and species to which the person's applied variety belongs; or

(c) where the country of which the person is a national provides Japanese nationals with the protection of varieties under the same condition as its own nationals (including a country which provides such protection for Japanese nationals under the condition that Japan allows enjoyment of the plant breeder's right or related rights for the nationals of that country), and further provides the protection for plant genus and species to which the person's applied variety belongs.

2	Sector:	Finance	
	Sub-Sector:	Banking	
	Industry Classification:	JSIC 622	Banks, except central bank
		JSIC 631	Financial institutions for small-businesses
	Type of Reservation:	National Treatment (Article 3)	
	Level of Government:	Central Government	
	Measures:	Deposit Insurance Law (Law No. 34 of 1971), Article 2	
	Description:	The deposit insurance system only covers financial institutions which have their head offices within the jurisdiction of Japan. The deposit insurance system does not cover deposits taken by branches of foreign banks.	

3 Sector: Heat Supply

Sub-Sector:

Industry Classification: JSIC 3511 Heat supply

Type of Reservation: National Treatment (Article 3)

Level of Government: Central Government

Measures: Foreign Exchange and Foreign Trade Law (Law No. 228 of 1949), Article 27

Cabinet Order on Foreign Direct Investment (Cabinet Order No. 261 of 1980), Article 3

Description: The prior notification requirement under the Foreign Exchange and Foreign Trade Law applies to foreign investors who intend to make investments in heat supply industry in Japan.

4 Sector: Information and Communications

Sub-Sector: Telecommunications

Industry Classification: JSIC 3700 Head offices primarily engaged in managerial operations

JSIC 3711 Regional telecommunications, except wire broadcast telephones

JSIC 3731 Services incidental to telecommunications

Type of Reservation: National Treatment (Article 3)

Senior Management and Boards of Directors (Article 9)

Level of Government: Central Government

Measures: Law Concerning Nippon Telegraph and Telephone Corporation (Law No. 85 of 1984), Articles 6 and 10

Description: 1. Nippon Telegraph and Telephone Corporation may not enter the name and address in its register of shareholders if the aggregate of the ratio of the voting rights directly and/or indirectly held by the persons set forth in subparagraphs (a) through (c) reaches or exceeds one third:

- (a) a natural person who does not have Japanese nationality;
- (b) a foreign government or its representative; and
- (c) a foreign legal person or a foreign entity.

2. Any natural person who does not have Japanese nationality may not assume the office of director or auditor of Nippon Telegraph and Telephone Corporation, Nippon Telegraph and Telephone East Corporation and Nippon Telegraph and Telephone West Corporation.



5 Sector: Information and Communications

Sub-Sector: Telecommunications and Internet Based Services

Industry Classification: JSIC 3711 Regional telecommunications, except wire broadcast telephones

JSIC 3712 Long-distance telecommunications

JSIC 3719 Miscellaneous fixed telecommunications

JSIC 3721 Mobile telecommunications

JSIC 401 Internet based services

Note: The activities covered by the reservation under JSIC 3711, 3712, 3719, 3721 or 401 are limited to the activities which are subject to the registration obligation under Article 9 of the Telecommunications Business Law (Law No. 86 of 1984).

Type of Reservation: National Treatment (Article 3)

Level of Government: Central Government

Measures: Foreign Exchange and Foreign Trade Law (Law No. 228 of 1949), Article 27

Cabinet Order on Foreign Direct Investment (Cabinet Order No. 261 of 1980), Article 3

Description: The prior notification requirement under the Foreign Exchange and Foreign Trade Law applies to foreign investors who intend to make investments in telecommunications business and internet based services in Japan.

6 Sector: Manufacturing

Sub-Sector: Drugs and Medicines Manufacturing

Industry Classification: JSIC 1653 Biological preparations

Type of Reservation: National Treatment (Article 3)

Level of Government: Central Government

Measures: Foreign Exchange and Foreign Trade Law (Law No. 228 of 1949), Article 27

Cabinet Order on Foreign Direct Investment (Cabinet Order No. 261 of 1980), Article 3

Description: The prior notification requirement under the Foreign Exchange and Foreign Trade Law applies to foreign investors who intend to make investments in biological preparations manufacturing industry in Japan. For greater certainty, "biological preparations manufacturing industry" deals with economic activities in an establishment which mainly produces vaccine, serum, toxoid, antitoxin and some preparations similar to the aforementioned products, or blood products.

7 Sector:	Manufacturing	
Sub-Sector:	Leather and Leather Products Manufacturing	
Industry Classification:	JSIC 1189	Textile apparel and accessories, n.e.c.
	JSIC 1694	Gelatine and adhesives
	JSIC 192	Rubber and plastic footwear and its findings
	JSIC 2011	Leather tanning and finishing
	JSIC 2021	Mechanical leather products, except gloves and mittens
	JSIC 2031	Cut stock and findings for boots and shoes
	JSIC 2041	Leather footwear
	JSIC 2051	Leather gloves and mittens
	JSIC 2061	Baggage
	JSIC 207	Handbags and small leather cases
	JSIC 2081	Fur skins
	JSIC 2099	Miscellaneous leather products
	JSIC 3253	Sporting and athletic goods

Note 1: The activities covered by the reservation under JSIC 1189 or 3253 are limited to the activities related to leather and leather products manufacturing.

Note 2: The activities covered by the reservation under JSIC 1694 are limited to the activities related to animal glue (nikawa) and gelatine manufacturing.

Type of  
Reservation:

National Treatment (Article 3)

Level of  
Government:

Central Government

Measures:

Foreign Exchange and Foreign Trade Law (Law No. 228 of 1949), Article 27

Cabinet Order on Foreign Direct Investment (Cabinet Order No. 261 of 1980), Article 3

Description:

The prior notification requirement under the Foreign Exchange and Foreign Trade Law applies to foreign investors who intend to make investments in leather and leather products manufacturing industry in Japan.

8 Sector: Matters Related to the Nationality  
of a Ship

Sub-Sector:

Industry  
Classification:

Type of  
Reservation: National Treatment (Article 3)  
Senior Management and Boards of  
Directors (Article 9)

Level of  
Government: Central Government

Measures: Ship Law (Law No. 46 of 1899),  
Article 1

Description: The Japanese nationality shall be  
given to a ship whose owner is a  
Japanese national, or a company  
established under Japanese laws and  
regulations, of which all the  
representatives and not less than  
two-thirds of the executives  
administering the affairs are  
Japanese nationals.

9 Sector: Mining

Sub-Sector:

Industry Classification: JSIC 05 Mining and quarrying of stone and gravel

Type of Reservation: National Treatment (Article 3)

Level of Government: Central Government

Measures: Mining Law (Law No. 289 of 1950), Chapters 2 and 3

Description: Only a Japanese national or a Japanese legal person may have mining rights or mining lease rights.

10 Sector: Oil Industry

Sub-Sector:

Industry Classification:	JSIC 053	Crude petroleum and natural gas production
	JSIC 1711	Petroleum refining
	JSIC 1721	Lubricating oils and greases (not made in petroleum refineries)
	JSIC 1741	Paving materials
	JSIC 1799	Miscellaneous petroleum and coal products
	JSIC 4711	Ordinary warehousing
	JSIC 4721	Refrigerated warehousing
	JSIC 5331	Petroleum
	JSIC 6051	Petrol stations (gasoline service stations)
	JSIC 6052	Fuel stores, except gasoline service stations
	JSIC 9299	Miscellaneous business services, n.e.c.

Note 1: The activities covered by the reservation under JSIC 1741, 1799, 4711, 4721 or 6052 are limited to the activities related to oil industry.

Note 2: The activities covered by the reservation under JSIC 9299 are limited to the activities related to liquefied petroleum gas industry.

Type of Reservation: National Treatment (Article 3)

Level of Government: Central Government

Measures: Foreign Exchange and Foreign Trade Law (Law No. 228 of 1949), Article 27

Cabinet Order on Foreign Direct Investment (Cabinet Order No. 261 of 1980), Article 3

Description: The prior notification requirement under the Foreign Exchange and Foreign Trade Law applies to foreign investors who intend to make investments in oil industry in Japan. All organic chemicals such as ethylene, ethylene glycol and polycarbonates are outside the scope of the oil industry. Therefore, prior notification under the Foreign Exchange and Foreign Trade Law is not required for the investments in the manufacture of these products.



11 Sector: Agriculture, Forestry and Fisheries, and Related Services (except Fisheries within the Territorial Sea, Internal Waters, Exclusive Economic Zone and Continental Shelf provided for in the reservation No. 7 in the Schedule of Japan in Annex II)

Sub-Sector:

Industry Classification:	JSIC 01	Agriculture
	JSIC 02	Forestry
	JSIC 03	Fisheries, except aquaculture
	JSIC 04	Aquaculture
	JSIC 6324	Agricultural cooperatives
	JSIC 6325	Fishery and fishery processing cooperatives
	JSIC 871	Agriculture, forestry and fisheries cooperative associations, n.e.c.

Type of Reservation: National Treatment (Article 3)

Level of Government: Central Government

Measures: Foreign Exchange and Foreign Trade Law (Law No. 228 of 1949), Article 27

Cabinet Order on Foreign Direct Investment (Cabinet Order No. 261 of 1980), Article 3

Description: The prior notification requirement under the Foreign Exchange and Foreign Trade Law applies to foreign investors who intend to make investments in agriculture, forestry and fisheries, and related services (except fisheries within the territorial sea, internal waters, exclusive economic zone and continental shelf provided for in the reservation No. 7 in the Schedule of Japan in Annex II) in Japan.

12 Sector: Security Guard Services

Sub-Sector:

Industry Classification: JSIC 9231 Guard services

Type of Reservation: National Treatment (Article 3)

Level of Government: Central Government

Measures: Foreign Exchange and Foreign Trade Law (Law No. 228 of 1949), Article 27

Cabinet Order on Foreign Direct Investment (Cabinet Order No. 261 of 1980), Article 3

Description: The prior notification requirement under the Foreign Exchange and Foreign Trade Law applies to foreign investors who intend to make investments in security guard services in Japan.

13	Sector:	Transport
	Sub-Sector:	Air Transport
	Industry Classification:	JSIC 4600      Head offices primarily engaged in managerial operations
		JSIC 4611      Air transport
	Type of Reservation:	National Treatment (Article 3) Most-Favored-Nation Treatment (Article 4) Senior Management and Boards of Directors (Article 9)
	Level of Government:	Central Government
	Measures:	Foreign Exchange and Foreign Trade Law (Law No. 228 of 1949), Article 27  Cabinet Order on Foreign Direct Investment (Cabinet Order No. 261 of 1980), Article 3  Civil Aeronautics Law (Law No. 231 of 1952), Chapters 7 and 8
	Description:	1. The prior notification requirement under the Foreign Exchange and Foreign Trade Law applies to foreign investors who intend to make investments in air transport business in Japan.  2. Permission of the Minister of Land, Infrastructure, Transport and Tourism for conducting air transport business as a Japanese air carrier is not granted to the following natural persons or entities applying for the permission:  (a) a natural person who does not have Japanese nationality;  (b) a foreign country, or a foreign public entity or its equivalent;

- (c) a legal person or other entity constituted under the laws of any foreign country; and
- (d) a legal person represented by the natural persons or entities referred to in subparagraph (a), (b) or (c); a legal person of which more than one-third of the members of the board of directors are composed of the natural persons or entities referred to in subparagraph (a), (b) or (c); or a legal person of which more than one-third of the voting rights are held by the natural persons or entities referred to in subparagraph (a), (b) or (c).

In the event an air carrier falls into a natural person or an entity referred to in subparagraphs (a) through (d), the permission will lose its effect. The conditions for the permission also apply to companies, such as holding companies, which have substantial control over the air carriers.

3. Japanese air carrier or the company having substantial control over such air carrier, such as a holding company, may reject the request from a natural person or an entity set forth in subparagraphs 2(a) through (c), who owns equity investments in such air carrier or company, to enter its name and address in the register of shareholders, in the event such air carrier or company falls into a legal person referred to in subparagraph 2(d) by accepting such request.

4. Foreign air carriers are required to obtain permission of the Minister of Land, Infrastructure, Transport and Tourism to conduct international air transport business.

5. Permission of the Minister of Land, Infrastructure, Transport and Tourism is required for the use of foreign aircraft for air transportation of passengers or cargoes to and from Japan for remuneration.

6. A foreign aircraft may not be used for a flight between points within Japan.

14 Sector: Transport

Sub-Sector: Air Transport

Industry Classification: JSIC 4600 Head offices primarily engaged in managerial operations

JSIC 4621 Aircraft service, except air transport

Type of Reservation: National Treatment (Article 3)

Senior Management and Boards of Directors (Article 9)

Level of Government: Central Government

Measures: Foreign Exchange and Foreign Trade Law (Law No. 228 of 1949), Article 27

Cabinet Order on Foreign Direct Investment (Cabinet Order No. 261 of 1980), Article 3

Civil Aeronautics Law (Law No. 231 of 1952), Chapters 7 and 8

Description: 1. The prior notification requirement under the Foreign Exchange and Foreign Trade Law applies to foreign investors who intend to make investments in aerial work business in Japan.

2. Permission of the Minister of Land, Infrastructure, Transport and Tourism for conducting aerial work business is not granted to the following natural persons or entities applying for the permission:

(a) a natural person who does not have Japanese nationality;

(b) a foreign country, or a foreign public entity or its equivalent;

- (c) a legal person or other entity constituted under the laws of any foreign country; and
- (d) a legal person represented by the natural persons or entities referred to in subparagraph (a), (b) or (c); a legal person of which more than one-third of the members of the board of directors are composed of the natural persons or entities referred to in subparagraph (a), (b) or (c); or a legal person of which more than one-third of the voting rights are held by the natural persons or entities referred to in subparagraph (a), (b) or (c).

In the event a person conducting aerial work business falls into a natural person or an entity referred to in subparagraphs (a) through (d), the permission will lose its effect. The conditions for the permission also apply to companies, such as holding companies, which have substantial control over the person conducting aerial work business.

3. A foreign aircraft may not be used for a flight between points within Japan.



15 Sector: Transport

Sub-Sector: Air Transport (Registration of Aircraft in the National Register)

Industry Classification:

Type of Reservation: National Treatment (Article 3)  
Senior Management and Boards of Directors (Article 9)

Level of Government: Central Government

Measures: Civil Aeronautics Law (Law No. 231 of 1952), Chapter 2

Description: 1. An aircraft owned by any of the following natural persons or entities may not be registered in the national register:

- (a) a natural person who does not have Japanese nationality;
- (b) a foreign country, or a foreign public entity or its equivalent;
- (c) a legal person or other entity constituted under the laws of any foreign country; and
- (d) a legal person represented by the natural persons or entities referred to in subparagraph (a), (b) or (c); a legal person of which more than one-third of the members of the board of directors are composed of the natural persons or entities referred to in subparagraph (a), (b) or (c); or a legal person of which more than one-third of the voting rights are held by the natural persons or entities referred to in subparagraph (a), (b) or (c).

2. A foreign aircraft may not be registered in the national register.

16	Sector:	Transport				
	Sub-Sector:	Freight Forwarding Business (excluding freight forwarding business using air transportation)				
	Industry Classification:	<table border="0" style="width: 100%;"> <tr> <td style="width: 15%;">JSIC 4441</td> <td>Collect-and-deliver freight transport</td> </tr> <tr> <td>JSIC 4821</td> <td>Deliver freight transport, except collect-and-deliver freight transport</td> </tr> </table>	JSIC 4441	Collect-and-deliver freight transport	JSIC 4821	Deliver freight transport, except collect-and-deliver freight transport
JSIC 4441	Collect-and-deliver freight transport					
JSIC 4821	Deliver freight transport, except collect-and-deliver freight transport					
	Type of Reservation:	<p>National Treatment (Article 3)</p> <p>Most-Favored-Nation Treatment (Article 4)</p> <p>Senior Management and Boards of Directors (Article 9)</p>				
	Level of Government:	Central Government				
	Measures:	<p>Freight Forwarding Business Law (Law No. 82 of 1989), Chapters 2 through 4</p> <p>Enforcement Regulation of Freight Forwarding Business Law (Ministerial Ordinance of the Ministry of Transport No. 20 of 1990)</p>				
	Description:	<p>The following natural persons or entities are required to be registered with, or to obtain permission or approval of, the Minister of Land, Infrastructure, Transport and Tourism for conducting freight forwarding business using international shipping. Such registration shall be made, or such permission or approval shall be granted, on the basis of reciprocity:</p> <p>(a) a natural person who does not have Japanese nationality;</p> <p>(b) a foreign country, or a foreign public entity or its equivalent;</p>				

- (c) a legal person or other entity constituted under the laws of any foreign country; and
- (d) a legal person represented by the natural persons or entities referred to in subparagraph (a), (b) or (c); a legal person of which more than one-third of the members of the board of directors are composed of the natural persons or entities referred to in subparagraph (a), (b) or (c); or a legal person of which more than one-third of the voting rights are held by the natural persons or entities referred to in subparagraph (a), (b) or (c).

17 Sector: Transport

Sub-Sector: Freight Forwarding Business (only freight forwarding business using air transportation)

Industry Classification: JSIC 4441 Collect-and-deliver freight transport

JSIC 4821 Deliver freight transport, except collect-and-deliver freight transport

Type of Reservation: National Treatment (Article 3)

Most-Favored-Nation Treatment (Article 4)

Senior Management and Boards of Directors (Article 9)

Level of Government: Central Government

Measures: Freight Forwarding Business Law (Law No. 82 of 1989), Chapters 2 through 4

Enforcement Regulation of Freight Forwarding Business Law (Ministerial Ordinance of the Ministry of Transport No. 20 of 1990)

Description: 1. The following natural persons or entities may not conduct freight forwarding business using air transportation between points within Japan:

- (a) a natural person who does not have Japanese nationality;
- (b) a foreign country, or foreign public entity or its equivalent;
- (c) a legal person or other entity constituted under the laws of any foreign country; and

- (d) a legal person represented by the natural persons or entities referred to in subparagraph (a), (b) or (c); a legal person of which more than one-third of the members of the board of directors are composed of the natural persons or entities referred to in subparagraph (a), (b) or (c); or a legal person of which more than one-third of the voting rights are held by the natural persons or entities referred to in subparagraph (a), (b) or (c).

2. The natural persons or entities referred to in subparagraphs 1(a) through (d) are required to be registered with, or to obtain permission or approval of, the Minister of Land, Infrastructure, Transport and Tourism for conducting freight forwarding business using international air transportation. Such registration shall be made, or such permission or approval shall be granted, on the basis of reciprocity.

18 Sector: Transport

Sub-Sector: Railway Transport

Industry Classification: JSIC 421 Railway transport  
 JSIC 4851 Railway facilities services

Type of Reservation: National Treatment (Article 3)

Level of Government: Central Government

Measures: Foreign Exchange and Foreign Trade Law (Law No. 228 of 1949), Article 27  
 Cabinet Order on Foreign Direct Investment (Cabinet Order No. 261 of 1980), Article 3

Description: The prior notification requirement under the Foreign Exchange and Foreign Trade Law applies to foreign investors who intend to make investments in railway transport industry in Japan. The manufacture of vehicles, parts and components for the railway transport industry is not included in railway transport industry. Therefore, prior notification under the Foreign Exchange and Foreign Trade Law is not required for the investments in the manufacture of these products.

19 Sector: Transport

Sub-Sector: Road Passenger Transport

Industry Classification: JSIC 4311 Common omnibus operators

Type of Reservation: National Treatment (Article 3)

Level of Government: Central Government

Measures: Foreign Exchange and Foreign Trade Law (Law No. 228 of 1949), Article 27

Cabinet Order on Foreign Direct Investment (Cabinet Order No. 261 of 1980), Article 3

Description: The prior notification requirement under the Foreign Exchange and Foreign Trade Law applies to foreign investors who intend to make investments in omnibus industry in Japan. The manufacture of vehicles, parts and components for omnibus industry is not included in omnibus industry. Therefore, prior notification under the Foreign Exchange and Foreign Trade Law is not required for the investments in the manufacture of these products.



20 Sector: Transport

Sub-Sector: Water Transport

Industry Classification: JSIC 452 Coastwise transport  
 JSIC 453 Inland water transport  
 JSIC 4542 Coastwise ship leasing

Type of Reservation: National Treatment (Article 3)

Level of Government: Central Government

Measures: Foreign Exchange and Foreign Trade Law (Law No. 228 of 1949), Article 27  
 Cabinet Order on Foreign Direct Investment (Cabinet Order No. 261 of 1980), Article 3

Description: The prior notification requirement under the Foreign Exchange and Foreign Trade Law applies to foreign investors who intend to make investments in water transport industry in Japan. For greater certainty, "water transport industry" refers to oceangoing/seagoing transport, coastwise transport (i.e. maritime transport between ports within Japan), inland water transport and ship leasing industry. However, oceangoing/seagoing transport industry and ship leasing industry excluding coastwise ship leasing industry are exempted from the prior notification requirement.

21 Sector: Transport

Sub-Sector: Water Transport

Industry  
Classification:

Type of  
Reservation: National Treatment (Article 3)  
Most-Favored-Nation Treatment  
(Article 4)

Level of  
Government: Central Government

Measures: Ship Law (Law No. 46 of 1899),  
Article 3

Description: Unless otherwise specified in the  
laws and regulations of Japan, or  
international agreements to which  
Japan is a party, ships not flying  
the Japanese flag are prohibited from  
entering Japanese ports which are not  
open to foreign commerce and from  
carrying cargoes or passengers  
between Japanese ports.

22 Sector: Water Supply and Waterworks

Sub-Sector:

Industry Classification: JSIC 3611 Water for end users,  
except industrial users

Type of Reservation: National Treatment (Article 3)

Level of Government: Central Government

Measures: Foreign Exchange and Foreign Trade  
Law (Law No. 228 of 1949), Article 27

Cabinet Order on Foreign Direct  
Investment (Cabinet Order No. 261  
of 1980), Article 3

Description: The prior notification requirement  
under the Foreign Exchange and  
Foreign Trade Law applies to foreign  
investors who intend to make  
investments in water supply and  
waterworks industry in Japan.

Schedule of the Oriental Republic of Uruguay

1	Sector:	Fisheries
	Sub-Sector:	
	Type of Reservation:	National Treatment (Article 3) Performance Requirements (Article 8) Senior Management and Boards of Directors (Article 9)
	Level of Government:	Central Government
	Measures:	Ley N° 13.833 Ley N° 14.650 Ley N° 18.498 Ley N° 19.175 Decreto N° 149/997 Decreto N° 233/004
	Description:	<p>Commercial fishing, including marine hunting activities, performed in internal waters and in the territorial sea within a distance of twelve (12) miles, measured from the base lines, are reserved exclusively to licensed Uruguayan-flagged vessels, without prejudice to arrangements in international agreements concluded by the Oriental Republic of Uruguay (hereinafter referred to in this Schedule as "Uruguay") on the basis of reciprocity. Such vessels must be commanded by captains, merchant marine officials, or fishing masters that are Uruguayan nationals and at least ninety (90) percent of the crew of such vessels must be Uruguayan nationals. This percentage could be altered in compliance with international agreements.</p> <p>The crew of fishing vessels licensed in Uruguay that operate exclusively in international waters, must have a minimum of seventy (70) percent of Uruguayan nationals.</p>

Commercial foreign-flagged vessels are only allowed to fish and hunt between the twelve (12) miles area referred to in the first paragraph and two hundred (200) nautical miles, subject to authorization of the Executive Branch, as recorded in the registry maintained by the Dirección Nacional de Recursos Acuáticos. Before starting their activities, they must obtain a license and a permit.

The authorization to exercise all fishery related activities, including industrialization and trading shall be granted by the Executive Branch.

In the event of national institutions or individuals, all Uruguayan-flagged vessels are exempted from the payment of permits and inspections provided for scientific fishing and hunting.

The processing and industrialization of fish may be subject to a requirement that the fish be totally or partially processed in Uruguay.

2 Sector: Communications - Print Media

Sub-Sector:

Type of Reservation: Senior Management and Boards of Directors (Article 9)

Level of Government: Central Government

Measures: Ley N° 16.099 (Article 6)

Description: Only Uruguayan nationals may be the redactor o gerente responsable<sup>1</sup> (the responsible editor or manager) of a newspaper, magazine, or periodical in Uruguay.

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1 "Redactor o gerente responsable" is the person liable under civil and criminal law for the content of a particular newspaper, magazine, or periodical publication.

3 Sector:	Communications - Television, Motion Pictures and Audiovisual Services
Sub-Sector:	
Type of Reservation:	National Treatment (Article 3) Most-Favored-Nation Treatment (Article 4) Performance requirements (Article 8) Senior Management and Boards of Directors (Article 9)
Level of Government:	Central Government
Measures:	Ley N° 16.099 Ley N° 18.284
Description:	The redactor o gerente responsable <sup>2</sup> (the responsible director or manager) of a television subscriber enterprise (cable, satellite, MMDS and UHF coded) shall be Uruguayan national.  The Instituto del Cine y del Audiovisual del Uruguay may, as indicated by its functions:  (a) promote, encourage and stimulate the creation, production, co-production, distribution and exhibition of Uruguayan films and audiovisual works throughout the country and abroad;  (b) implement reciprocity agreements with other Institutes to grant and obtain preferential access to the respective national markets;

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2 "Redactor o gerente responsable" is the person liable under civil and criminal law for the content of a particular television, motion picture or audiovisual service in any form.

- (c) promote actions to display a minimum of national production in fictional works, documentaries and animated films on national television media and its dissemination in the international market; and
- (d) promote actions to display a minimum of national production in movie theatres that comprise the exhibition movies circuit.



4 Sector: Educational services - Primary and Secondary Level

Sub-Sector:

Type of Reservation: Senior Management and Boards of Directors (Article 9)

Level of Government: Central Government

Measures: Ordenanza N° 14, Resolución N° 20 del Acta N° 86 de 19/12/1994 de la Administración Nacional de Educación Pública

Description: The Principal and Vice-Principal of the educational institutes shall be Uruguayan natural or legal citizens or permanent residents in Uruguay for a period not less than three (3) years.

5 Sector: Educational services - Tertiary Level

Sub-Sector:

Type of Reservation: Performance Requirements (Article 8)  
Senior Management and Boards of Directors (Article 9)

Level of Government: Central Government

Measures: Ley N° 12.549  
Decreto N° 308/995

Description: The absolute majority of the academic staff shall be integrated by Uruguayan natural or legal citizens, or permanent residents in Uruguay for a period not less than three (3) years. They shall have a perfect command of the Spanish language.

The statutes of Tertiary Institutions shall provide administrative and academic management bodies and procedures for appointing their members, most of which must be Uruguayan natural or legal citizens, or have a residence in Uruguay of least three (3) years.

6 Sector: Mining  
Sub-Sector:  
Type of Reservation: National Treatment (Article 3)  
Performance Requirements (Article 8)  
Level of Government: Central Government  
Measures: Ley N° 18.813  
Decreto-Ley N° 15.242 and its  
regulatory decrees

Description: All mineral reservoirs from the sea or land subsoil or that come to surface of the national territory, constitute inalienably and imprescriptibly the domain of the State.

Notwithstanding the preceding paragraph, the deposits of substances of non-metallic minerals (including deposits of substances non-metallic minerals, which are directly used as building materials, without industrial process to identify a physical or chemical transformation of mineral substance) are reserved to be exploited by the property site owner, under the conditions laid down in Decreto-Ley N° 15.242 and its amendments.

Prospecting and exploration of mineral deposits and mining shall only be done:

- (a) by the State or State Entities;
- (b) under a mining title

The enjoyment of mining rights attributed by the respective title is regulated by specific provisions and the provisions of the specific contract.

The holder of a concession to operate that is in a position to export metal ores, shall provide the domestic market fifteen (15) percent of the value of each export operation at "free on board" price.

7 Sector: Railway Transportation Services

Sub-Sector:

Type of Reservation: National Treatment (Article 3)  
Most-Favored-Nation Treatment (Article 4)  
Senior Management and Boards of Directors (Article 9)

Level of Government: Central Government

Measures: Sector Ferroviario - Marco Jurídico Regulatorio, Resolución del Ministerio de Transporte y Obras Públicas N° 1.767 del 27 de Noviembre de 2003  
Acuerdo sobre Transporte Internacional Terrestre (ATIT), Resolución del Ministerio de Transporte y Obras Públicas del 10 de Mayo de 1991 and published in Diario Oficial of July 8, 1991  
Ley N° 17.930 (Article 205)  
Decreto-Ley N° 14.798  
Decreto N° 262/013

Description: In order to provide railway passenger and cargo transportation services, a railway operator must obtain a license (Licencia de Operación Ferroviaria) from the Dirección Nacional de Transporte, which issues a resolution granting the license. Among the requirements for obtaining the license are:

(a) at least fifty one (51) percent of the paid-in capital of the railway operator shall be owned by Uruguayan nationals domiciled in Uruguay or by Uruguayan enterprises that meet the same requirement for paid-in capital; and

- (b) at least fifty one (51) percent of the railway operator's board of directors or managing board shall be composed of Uruguayan nationals domiciled in Uruguay.

Under the Acuerdo sobre Transporte Internacional Terrestre (ATIT) among the Southern Cone countries (Argentina, Brazil, Chile, Paraguay, Peru, Uruguay and Bolivia), access to international railway cargo transportation services is accorded, on the basis of reciprocity, to railway operators of Uruguay.

8 Sector: Road Transportation Services

Sub-Sector:

Type of Reservation: National Treatment (Article 3)  
Most-Favored-Nation Treatment (Article 4)

Senior Management and Boards of Directors (Article 9)

Level of Government: Central Government

Measures: Acuerdo sobre Transporte Internacional Terrestre (ATIT), Resolución del Ministerio de Transporte y Obras Públicas del 10 de Mayo de 1991 and published in Diario Oficial of July 8, 1991  
Decreto N° 230/997  
Decreto N° 274/006  
Decreto N° 285/006

Description: Regularly Scheduled Collective Passenger Transportation - The State reserves to itself the provision of public regular national and international passenger transportation services, but grants concessions and permits to private enterprises. Only Uruguayan nationals or Uruguayan enterprises may be granted such concessions and permits.

Uruguayan enterprises are those (i) managed, (ii) controlled, and (iii) in which more than fifty (50) percent of the capital is owned by Uruguayan nationals domiciled in Uruguay.

Non-Regularly Scheduled Collective Passenger Transportation (tourist and non-tourist transportation) - The provision of these services is reserved to Uruguayan nationals or Uruguayan enterprises.

International Passenger and Cargo Transportation - Only enterprises with more than fifty (50) percent of their share capital owned and effectively controlled by Uruguayan nationals may provide international cargo and passenger transportation.

Under the Acuerdo sobre Transporte Internacional Terrestre (ATIT) among the Southern Cone countries (Argentina, Brazil, Chile, Paraguay, Peru, Uruguay and Bolivia), access to international road cargo transportation services is accorded, on the basis of reciprocity, to road operators of Uruguay.



9 Sector: Maritime Transportation Services and Ancillary Services

Sub-Sector:

Type of Reservation: National Treatment (Article 3)  
Most-Favored-Nation Treatment (Article 4)  
Senior Management and Boards of Directors (Article 9)

Level of Government: Central Government

Measures: Ley N° 12.091  
Ley N° 14.106 (Article 309)  
Ley N° 16.387 (Article 18, as amended by Ley N° 16.736 (Article 321))  
Ley N° 17.296 (Article 263)  
Ley N° 18.498  
Ley N° 18.891  
Decreto-Ley N° 14.650 (Chapters I, II, and V)  
Decreto N° 31/994

Description: Cabotage trade, which covers domestic vessel transportation services performed between the ports and coastal areas of Uruguay, including rescue operations, unloading of cargoes, towing, and other vessel operations performed by ships in waters within Uruguayan jurisdiction, shall be reserved to Uruguayan-flagged vessels. Such vessels are exempt from designated taxes, such as those on equipment, sales, and income of fleets.

Waivers permitting foreign-flagged vessels to perform cabotage services may be granted by the Executive Branch when Uruguayan-flagged vessels are not available.

Vessels providing cabotage transportation services within Uruguay are subject to the following requirements:

- (a) if owned by natural persons, vessels must be owned by Uruguayan nationals domiciled in Uruguay; and
- (b) if owned by an enterprise:
  - (i) fifty one (51) percent of the owners of such enterprise must be Uruguayan nationals;
  - (ii) fifty one (51) percent of the voting shares must be owned by Uruguayan nationals; and
  - (iii) the enterprise must be controlled and managed by Uruguayan nationals.

The cross-river transport of passengers and vehicles between border ports of Uruguay and Argentina is reserved to Uruguayan and Argentinean flagged vessels.

Half of all cargo transportation of Uruguayan foreign trade (imports and exports) is reserved to Uruguayan-flagged vessels. However, waivers are granted to foreign-flagged vessels to carry the reserved portion of the foreign trade.

Uruguay may impose restrictions on access to cargo transportation of Uruguayan foreign trade on the basis of reciprocity.

Uruguayan-flagged merchant vessels are entitled to designated tax exemptions, provided that such vessels fulfill the following requirements:

- (a) if owned by natural persons, vessels must be owned by Uruguayan nationals domiciled in Uruguay; and
- (b) if owned by an enterprise, vessels must be under the control and direction of Uruguayan nationals.

The crew of Uruguayan merchant vessels must meet the following requirements:

- (a) ninety (90) percent of the Officers (including the Captain, the Chief Engineer and the Radio Operator) of vessels operating under a traffic authorization granted by the Competent Authority shall be Uruguayan nationals;
- (b) at least ninety (90) percent of the rest of the crew shall be Uruguayan nationals; and
- (c) for vessels not operating under a traffic authorization granted by the Competent Authority, their Captain, Chief Engineer, and the Radio Operator or the Chief Officer must be Uruguayan nationals.

10 Sector: Air Services

Sub-Sector:

Type of Reservation: National Treatment (Article 3)  
Most-Favored-Nation Treatment (Article 4)  
Performance Requirements (Article 8)  
Senior Management and Boards of Directors (Article 9)

Level of Government: Central Government

Measures: Ley N° 12.018  
Ley N° 18.058  
Decreto-Ley N° 14.305, Código Aeronáutico  
Decreto-Ley N° 14.653  
Decreto-Ley N° 14.845  
Decreto N° 808/973  
Decreto N° 325/974  
Decreto N° 39/977  
Decreto N° 158/978  
Decreto N° 183/001  
Decreto N° 145/010  
Reglamentos Aeronáuticos Uruguayos, N° 61, 63, and 65

Description: Uruguay's aeronautical trade relationship is based on the principle of effective reciprocity.

Concession or authorization in accordance with international standards and the provisions of the Código Aeronáutico (Decreto-Ley N° 14.305 and its amendment) and its regulations are required for the operation of any aeronautical activity, including the establishment of an agency and a commercial representation for air tickets sale.

Foreign international aeronautical enterprises that provide aeronautical services from or to Uruguay, or those which do not provide these services but keep in Uruguay tickets sale operations for air transport passengers, directly or through agents, representatives or third authorized enterprises (whatever its nature or denomination) shall pay, as compensation for the national good exploitation that imply Uruguayan aero commercial rights, a percentage fee up to fifteen (15) percent of the price of the tickets sold in Uruguay that comprise the total itinerary agreed, regardless of the form and place of issuance or payment.

Only a national air transportation enterprise (empresa nacional de transporte aéreo) may operate aircrafts in domestic air transportation service (cabotage) and may provide international scheduled and non-scheduled air transportation services as an Uruguayan air carrier.

Domestic air works shall be performed exclusively by national enterprises. Unless the State exploits domestic air works directly, scheduled domestic air works for passenger, mail and cargo shall be operated by concessionaries and non-scheduled air works shall be operated under authorization.

Only a national air works enterprise (empresa nacional de servicios de trabajo aéreo) may operate aircraft in domestic non-transportation air services.

The aeronautical authority may authorize domestic air services by foreign enterprises provided that the same rights are granted on a reciprocal basis.

In order to be a national air transportation enterprise (empresa nacional de transporte aéreo) or a national air works enterprise (empresa nacional de servicios de trabajo aéreo), an enterprise must be fifty one (51) percent owned by Uruguayan nationals domiciled in Uruguay.

National enterprises shall have Uruguayan license. However, exceptionally, in order to ensure the provision of services or for reasons of national convenience, the aeronautical authority could allow the use of foreign-licensed aircrafts.

All crew and other personnel, including the management of a national air transportation enterprise (empresa nacional de transporte aéreo) or a national air works enterprise (empresa nacional de servicios de trabajo aéreo), must be Uruguayan nationals, unless otherwise authorized by the Dirección Nacional de Aviación Civil e Infraestructura Aeronáutica.

In order to apply for the registration of aircrafts, their owners shall be domiciled in Uruguay. In the event of co-ownership, such condition shall be verified with regard to fifty one (51) percent of co-owners whose rights exceed the fifty one (51) percent of the aircraft value. Without prejudice to the above condition regarding domicile, the Executive Branch shall regulate other conditions to be fulfilled by the aircraft owners in order to register their aircrafts.

Uruguayan-flagged air carriers shall cover, to the extent possible, their operative needs, including maintenance and repair, with domestic sources.

Air-taxi services are reserved for domestic enterprises. Foreign exploiters of air-taxi services may operate within the Uruguayan territory and Uruguayan jurisdictional waters only if the foreign State grants an identical treatment to Uruguayan air-services exploiters, in terms of rights, benefits or advantages conceded to them.

11 Sector: Aerophotographic Services and  
Agricultural Aviation Services

Sub-Sector:

Type of  
Reservation: National Treatment (Article 3)  
Most-Favored-Nation Treatment  
(Article 4)  
Performance Requirements (Article 8)  
Senior Management and Boards of  
Directors (Article 9)

Level of  
Government: Central Government

Measures: Decreto-Ley N° 14.305 Código  
Aeronáutico  
Decreto N° 325/974  
Decreto N° 39/977  
Decreto N° 158/978  
Decreto N° 314/994  
Decreto N° 145/010  
Decreto del Consejo de Gobierno  
N° 21.409 de 4/7/1952

Description: Aerophotographic services activities  
in free flight areas are allowed to  
those who register in the Registro de  
Fotógrafos Aéreos. To register in  
that registry, the staff, including  
navigational personnel, operators and  
technicians shall be Uruguayan  
nationals, except that the competent  
authority exempts this requirement.

To obtain the permit to conduct a  
search with any air transportable  
sensor, as well as to process such  
material in the national territory  
and Uruguayan jurisdictional waters,  
the requirements to be Uruguayan  
nationals or Uruguayan enterprises  
must be fulfilled, except in cases  
where this requirement is expressly  
exempted.



Agricultural aviation. When the sector requirements circumstantially cannot be satisfied by national means, the Executive Branch may, upon request from the competent authority, authorize the temporary entry of foreign aircrafts.

The air works applied to development (for example prospecting of hydrocarbons, fishery industry, irrigation studies, geological research, etc.) are reserved for national enterprises. Only when specific requirements cannot be dealt by national enterprises, the competent authority may authorize temporarily the operations of foreign enterprises in the national territory.

Only Uruguayan nationals or Uruguayan enterprises (including navigational personnel, operators and technicians) can register in the Registro de Operadores de Sensores Aeroespaciales, except where this requirement is expressly exempted. With regard to enterprises, the majority of its directors shall be Uruguayan nationals.

12 Sector: Financial Services

Sub-sector: Financial Intermediation (Banking)

Type of  
Reservation: National Treatment (Article 3)  
Senior Management and Boards of  
Directors (Article 9)

Level of  
Government: Central Government

Measures: Decreto-Ley N° 15.322 (Article 8)

Description: Branches or subsidiaries of foreign  
financial institutions shall not in  
their by-laws prohibit Uruguayan  
nationals from participating in the  
board of directors or in management,  
or assuming any other position in the  
institution.

13 Sector: Financial Services  
Sub-sector: Financial Intermediation (Banking)  
Type of Reservation: National Treatment (Article 3)  
Level of Government: Central Government  
Measures: Ley N° 18.401 (Article 34)  
Description: The maximum amount of bank deposits covered by deposit insurance differs depending on whether the deposits are denominated in Uruguayan pesos or another currency.

14 Sector: Financial Services

Sub-sector Insurance

Type of  
Reservation: National Treatment (Article 3)

Level of  
Government: Central Government

Measures: Ley N° 16.426 (Article 1)

Description: The Banco de Seguros del Estado is the sole entity permitted to provide workers' industrial accidents compensation insurance, and as a result it may derive a competitive advantage with respect to its overall operations.

15 Sector: Financial Services

Sub-Sector:

Type of  
Reservation: National Treatment (Article 3)

Level of  
Government: Central Government

Measures: Ley N° 15.903 (Article 453)  
Ley N° 17.555 (Article 80)

Description: The Uruguayan Government and state enterprises shall deposit funds only in the Banco de la República Oriental del Uruguay.

Annex II  
Reservations for Measures referred to  
in paragraph 2 of Article 10

1. The Schedule of a Contracting Party sets out, pursuant to paragraph 2 of Article 10, the reservations taken by that Contracting Party with respect to specific sectors, sub-sectors or activities for which it may maintain existing, or adopt new or more restrictive, measures that do not conform with obligations imposed by:

- (a) Article 3 (National Treatment);
- (b) Article 4 (Most-Favored-Nation Treatment);
- (c) Article 8 (Performance Requirements); or
- (d) Article 9 (Senior Management and Boards of Directors).

2. Each reservation sets out the following elements:

- (a) "Sector" refers to the general sector in which the reservation is taken;
- (b) "Sub-Sector" refers to the specific sector in which the reservation is taken;
- (c) "Industry Classification" refers, where applicable, and only for transparency purposes, to the activity covered by the reservation according to domestic or international industry classification codes;
- (d) "Type of Reservation" specifies the obligation referred to in paragraph 1 for which the reservation is taken;
- (e) "Description" sets out the scope of the sector, sub-sector or activities covered by the reservation; and
- (f) "Existing Measures" identifies, for transparency purposes, existing measures that apply to the sector, sub-sector or activities covered by the reservation.

3. In the interpretation of a reservation, all elements of the reservation shall be considered. The "Description" element shall prevail over all the other elements.

4. In accordance with paragraph 2 of Article 10, the obligations specified in the "Type of Reservation" element do not apply to the sectors, subsectors and activities identified in the "Description" element.

5. For the purposes of this Annex, "JSIC" means Japan Standard Industrial Classification set out by the Ministry of Internal Affairs and Communications, and revised on November 6, 2007.

Schedule of Japan

1	Sector:	All Sectors
	Sub-Sector:	
	Industry Classification:	
	Type of Reservation:	National Treatment (Article 3)  Senior Management and Boards of Directors (Article 9)
	Description:	When transferring or disposing of its equity interests in, or the assets of, a state enterprise or a governmental entity, Japan reserves the right to:  (a) prohibit or impose limitations on the ownership of such interests or assets by investors of the Oriental Republic of Uruguay or their investments;  (b) impose limitations on the ability of investors of the Oriental Republic of Uruguay or their investments as owners of such interests or assets to control any resulting enterprise; or  (c) adopt or maintain any measure relating to the nationality of executives, managers or members of the board of directors of any resulting enterprise.
	Existing Measures:	



2 Sector: All Sectors

Sub-Sector:

Industry  
Classification:

Type of  
Reservation: National Treatment (Article 3)  
Senior Management and Boards of  
Directors (Article 9)

Description: In the event where the supply of  
telegraph services, postal services  
and betting and gambling services,  
manufacture of tobacco products,  
manufacture of Bank of Japan notes,  
minting and sale of coinage in  
Japan, which are restricted to  
designated enterprises or  
governmental entities, are  
liberalized to those other than the  
designated enterprises or  
governmental entities, or in the  
event where such designated  
enterprises or governmental entities  
no longer operate on a non-  
commercial basis, Japan reserves the  
right to adopt or maintain any  
measure relating to those  
activities.

Existing  
Measures:

3 Sector: All Sectors

Sub-Sector:

Industry  
Classification:

Type of  
Reservation: National Treatment (Article 3)  
Most-Favored-Nation Treatment  
(Article 4)

Description: National Treatment and Most-  
Favored-Nation Treatment may not be  
accorded to investors of the  
Oriental Republic of Uruguay and  
their investments with respect to  
subsidies.

Existing  
Measures:

4 Sector: Aerospace Industry

Sub-Sector: Aircraft Industry

Space Industry

Industry  
Classification:

Type of  
Reservation: National Treatment (Article 3)

Performance Requirements (Article 8)

Senior Management and Boards of  
Directors (Article 9)

Description: Japan reserves the right to adopt or  
maintain any measure relating to  
investment in aircraft industry and  
space industry.

Existing  
Measures: Foreign Exchange and Foreign  
Trade Law (Law No. 228 of 1949),  
Articles 27 and 30

Cabinet Order on Foreign Direct  
Investment (Cabinet Order No. 261  
of 1980), Articles 3 and 5

5 Sector: Arms and Explosives Industry

Sub-Sector: Arms Industry

Explosives Manufacturing Industry

Industry  
Classification:

Type of  
Reservation: National Treatment (Article 3)

Performance Requirements (Article 8)

Senior Management and Boards of  
Directors (Article 9)

Description: Japan reserves the right to adopt  
or maintain any measure relating to  
investment in arms industry and  
explosives manufacturing industry.

Existing  
Measures: Foreign Exchange and Foreign  
Trade Law (Law No. 228 of 1949),  
Articles 27 and 30

Cabinet Order on Foreign Direct  
Investment (Cabinet Order No. 261  
of 1980), Articles 3 and 5

6	Sector:	Energy
	Sub-Sector:	Electricity Utility Industry
		Gas Utility Industry
		Nuclear Energy Industry
	Industry Classification:	
	Type of Reservation:	National Treatment (Article 3)
		Performance Requirements (Article 8)
		Senior Management and Boards of Directors (Article 9)
	Description:	Japan reserves the right to adopt or maintain any measure relating to investment in the energy industry listed in the "Sub-Sector" element.
	Existing Measures:	Foreign Exchange and Foreign Trade Law (Law No. 228 of 1949), Articles 27 and 30
		Cabinet Order on Foreign Direct Investment (Cabinet Order No. 261 of 1980), Articles 3 and 5

7 Sector: Fisheries

Sub-Sector: Fisheries within the Territorial Sea, Internal Waters, Exclusive Economic Zone and Continental Shelf

Industry Classification: JSIC 031 Marine fisheries  
 JSIC 032 Inland water fisheries  
 JSIC 041 Marine aquaculture  
 JSIC 042 Inland water aquaculture  
 JSIC 8093 Recreational fishing guide business

Type of Reservation: National Treatment (Article 3)  
 Most-Favored-Nation Treatment (Article 4)  
 Performance Requirements (Article 8)  
 Senior Management and Boards of Directors (Article 9)

Description: Japan reserves the right to adopt or maintain any measure relating to investment in fisheries in the territorial sea, internal waters, exclusive economic zone and continental shelf of Japan.

For the purposes of this reservation, the term "fisheries" means the work of taking and cultivation of aquatic resources, including the following fisheries related activities:

- (a) investigation of aquatic resources without taking such resources;
- (b) luring of aquatic resources;
- (c) preservation and processing of fish catches;
- (d) transportation of fish catches and fish products; and

(e) provision of supplies to other vessels used for fisheries.

Existing  
Measures:

Foreign Exchange and Foreign Trade Law (Law No. 228 of 1949), Article 27

Cabinet Order on Foreign Direct Investment (Cabinet Order No. 261 of 1980), Article 3

Law for Regulation of Fishing Operation by Foreign Nationals (Law No. 60 of 1967), Articles 3, 4 and 6

Law concerning the Exercise of Sovereign Rights concerning Fisheries in the Exclusive Economic Zones (Law No. 76 of 1996), Articles 4, 5, 7, 8, 9, 10, 11, 12 and 14

8 Sector:	Information and Communications	
Sub-Sector:	Broadcasting Industry	
Industry Classification:	JSIC 380	Establishments engaged in administrative or ancillary economic activities
	JSIC 381	Public broadcasting, except cablecasting
	JSIC 382	Private-sector broadcasting, except cablecasting
	JSIC 383	Cablecasting
Type of Reservation:	National Treatment (Article 3)	
	Performance Requirements (Article 8)	
	Senior Management and Boards of Directors (Article 9)	
Description:	Japan reserves the right to adopt or maintain any measure relating to investment in broadcasting industry.	
Existing Measures:	Foreign Exchange and Foreign Trade Law (Law No. 228 of 1949), Article 27	
	Cabinet Order on Foreign Direct Investment (Cabinet Order No. 261 of 1980), Article 3	
	Radio Law (Law No. 131 of 1950), Article 5	
	Broadcast Law (Law No. 132 of 1950), Articles 93, 116, 125, 159 and 161	



9 Sector: Land Transaction

Sub-Sector:

Industry  
Classification:

Type of  
Reservation: National Treatment (Article 3)  
Most-Favored-Nation Treatment  
(Article 4)

Description: With respect to the acquisition or  
lease of land properties in Japan,  
prohibitions or restrictions may be  
imposed by Cabinet Order on foreign  
nationals or legal persons, where  
Japanese nationals or legal persons  
are placed under identical or  
similar prohibitions or restrictions  
in the foreign country.

Existing  
Measures: Alien Land Law (Law No. 42 of 1925),  
Article 1

Schedule of the Oriental Republic of Uruguay

1	Sector:	Road, Railway, Airport, and Port Services and Infrastructure
	Sub-Sector:	
	Type of Reservation:	National Treatment (Article 3) Performance Requirements (Article 8) Senior Management and Boards of Directors (Article 9)
	Description:	The Oriental Republic of Uruguay (hereinafter referred to in this Schedule as "Uruguay") reserves the right to adopt or maintain any measure with respect to the concessions relating to road, railway, airport, or port services and infrastructure as well as the renewal or re-negotiation of existing concessions.
	Existing Measures:	

2 Sector: Distribution services of liquid, solid and gaseous fuels and related products

Sub-Sector:

Type of Reservation: Performance Requirements (Article 8)

Description: Uruguay reserves the right to adopt or maintain any measure with respect to concessions relating to distribution services of liquid, solid and gaseous fuels, and related products, as well as any renewals or re-negotiations of existing concessions relating to such services.

The Administración Nacional de Combustibles, Alcohol y Portland (ANCAP) grants concessions according to the law.

Existing Measures:

3 Sector: All Sectors

Sub-Sector:

Type of  
Reservation: National Treatment (Article 3)  
Performance Requirements (Article 8)  
Senior Management and Boards of  
Directors (Article 9)

Description: Uruguay reserves the right to adopt  
or maintain any measure that accords  
rights or preferences to minorities  
due to social or economic reasons.

Existing  
Measures:

4 Sector: All sectors

Sub-Sector:

Type of Reservation: National Treatment (Article 3)  
Performance Requirements (Article 8)  
Senior Management and Boards of Directors (Article 9)

Description: Uruguay reserves the right to adopt or maintain any measure that limits the transfer or disposal of any interest held in an existing State Enterprise, such that only an Uruguayan national may obtain such interest.

The limitation in the preceding mentioned above, however, pertains only to the initial transfer or disposal of such interest, and not to subsequent transfers or disposals.

Uruguay reserves the right to adopt or maintain any measure that limits control of, or imposes requirements on, any new enterprise created by the transfer or disposal of any interest as described in the preceding paragraph, such as through measures relating to the structure of the board of directors, but not through limitations on the ownership of the interest transferred.

Uruguay also reserves the right to adopt or maintain any measure related to the nationality of senior management and members of the board of directors in such new enterprise.

A "State Enterprise" means any enterprise owned or controlled through participation in its property by the Uruguayan State, and shall include any enterprise established after the date of entry into force of this Agreement.

Existing  
Measures:

5 Sector: Postal Services

Sub-Sector:

Type of Reservation: National Treatment (Article 3)

Description: Uruguay reserves the right to adopt or maintain any measure that restricts the receipt, processing, transport, or delivery of periodic invoices provided by State Enterprises, including:

- (a) ANTEL - Administración Nacional de Telecomunicaciones (basic telecommunications),
- (b) UTE - Usinas y Trasmisiones Eléctricas (electricity distribution),
- (c) OSE - Obras Sanitarias del Estado (water distribution).

Existing Measures:

6 Sector: Social Services

Sub-Sector:

Type of  
Reservation: National Treatment (Article 3)  
Most-Favored-Nation Treatment  
(Article 4)  
Performance Requirements (Article 8)  
Senior Management and Boards of  
Directors (Article 9)

Description: Uruguay reserves the right to adopt  
or maintain any measure with respect  
to the provision of law enforcement  
services, and the following services  
to the extent they are social  
services established or maintained  
for a public purpose: rehabilitation  
and social re-adaptation services,  
social security or unemployment  
benefits, social welfare, public  
education, public training, health,  
child care, public sewage services,  
and water supply services.

Existing  
Measures:



7 Sector: Traditional Events and Festivities

Sub-Sector:

Type of  
Reservation: National Treatment (Article 3)

Description: Uruguay reserves the right to adopt or maintain any measure with respect to the organization and development of events relating to popular national traditions, such as parades and Carnaval.

Existing  
Measures:

8 Sector: Railway Transportation Services and Ancillary Services

Sub-Sector:

Type of Reservation: Performance Requirements (Article 8)

Description: Uruguay reserves the right to adopt or maintain performance requirements in railway transportation services and ancillary services, provided that they are adequate, transparent, and non-discriminatory under Uruguayan law.

Existing Measures:

9 Sector: All Sectors

Sub-Sector:

Type of  
Reservation: Most-Favored-Nation Treatment  
(Article 4)

Description: Uruguay reserves the right to adopt  
or maintain any measure that accords  
differential treatment to countries  
under any bilateral or multilateral  
international agreement in force or  
signed prior to the date of entry  
into force of this Agreement.

Uruguay reserves the right to adopt  
or maintain any measure that accords  
differential treatment to countries  
under any bilateral or multilateral  
international agreement in force or  
signed after the date of entry into  
force of this Agreement involving:

- (a) aviation;
- (b) fisheries;
- (c) maritime matters, including  
salvage; or
- (d) telecommunications.

Existing  
Measures:

10 Sector: Ground Transportation

Sub-Sector:

Type of  
Reservation: Most-Favored-Nation Treatment  
(Article 4)

Description: Uruguay reserves the right to adopt or maintain any measure that accords differential treatment to Mercado Común del Sur (MERCOSUR) member countries under any bilateral or multilateral international agreement relating to ground transportation and entered into pursuant to its MERCOSUR commitments after the date of entry into force of this Agreement.

Existing  
Measures:

11 Sector: Public Finances

Sub-Sector:

Type of  
Reservation: National Treatment (Article 3)

Description: Uruguay reserves the right to adopt or maintain any measure that restricts the acquisition, sale, or other disposition of bonds, treasury bills or other debt instrument issued by the Central Bank of Uruguay or by the Government of Uruguay.

Existing  
Measures:

12 Sector: All Sectors

Sub-Sector:

Type of  
Reservation: National Treatment (Article 3)

Description: Uruguay reserves the right to adopt or maintain any measure tending towards the establishment of a Border Security Zone along land and river boundaries of the national Area.

Existing  
Measures:

13	Sector:	Communications
	Sub-sector:	Radio, Television and other Audiovisual Communication Services
	Type of Reservation:	National Treatment (Article 3) Performance Requirements (Article 8) Senior Management and Boards of Directors (Article 9)
	Description:	Uruguay reserves the right to adopt or maintain any measure relating to radio, television and other audiovisual communication services.
	Existing Measures:	Decreto-Ley N° 14.670 Decreto-Ley N° 15.671 (Article 10) Ley N° 16.099 (Article 6) Ley N° 18.232 Decreto N° 734/978 (Articles 8, 9, and 11) Decreto N° 327/980 Decreto N° 350/986 Decreto N° 153/012

14 Sector: Rural Property and Agricultural Exploitations

Sub-Sector:

Type of Reservation: National Treatment (Article 3)  
Most-Favored-Nation Treatment (Article 4)  
Performance Requirements (Article 8)

Description: Uruguay reserves the right to adopt or maintain any measure that restricts the purchase and ownership of rural properties and agricultural exploitations to enterprises that are owned by, or which directly or indirectly involves a foreign state property or sovereign funds thereof.

Existing Measures:



15 Sector: All sectors

Sub-Sector:

Type of  
Reservation: National Treatment (Article 3)  
Most-Favored-Nation Treatment  
(Article 4)

Description: National Treatment and Most-Favored-  
Nation Treatment may not be accorded  
to investors of the Japan and their  
investments with respect to  
subsidies.

Existing  
Measures:

Annex III  
Expropriation

1. The Contracting Parties confirm their shared understanding that paragraph 1 of Article 16 is intended to reflect customary international law concerning the obligation of States with respect to expropriation.

2. A measure or a series of measures by a Contracting Party cannot constitute an expropriation unless it interferes with a tangible or intangible, movable or immovable property, or property interests in an investment.

3. Paragraph 1 of Article 16 addresses the following two (2) situations:

- (a) the first situation is direct expropriation, where investments are nationalized or otherwise directly expropriated through formal transfer of title or outright seizure; and
- (b) the second situation is indirect expropriation, where a measure or a series of measures of a Contracting Party has an effect equivalent to direct expropriation without formal transfer of title or outright seizure.

4. The determination of whether a government measure or a series of government measures of a Contracting Party, in a specific fact situation, constitutes an indirect expropriation requires a case-by-case, fact-based inquiry that considers, among other factors:

- (a) the economic impact of the government measure or series of government measures, although the fact that such measure or series of such measures has an adverse effect on the economic value of investments, standing alone, does not establish that an indirect expropriation has occurred;
- (b) the extent to which the government measure or series of government measures interferes with distinct and reasonable expectations arising out of investments; and
- (c) the character of the government measure, including its objectives.

5. Except in rare circumstances, such as when a measure or a series of measures by a Contracting Party is extremely severe or disproportionate in light of its purpose, non-discriminatory regulatory actions adopted by the Contracting Party that are designed and applied to protect legitimate public welfare objectives, such as public health, safety, and the environment, do not constitute indirect expropriations.

Annex IV  
Financial Services

1. Notwithstanding any other provisions of this Agreement, a Contracting Party shall not be prevented from taking measures relating to financial services for prudential reasons, including measures for the protection of investors, depositors, policy holders or persons to whom a fiduciary duty is owed by an enterprise supplying financial services, or to ensure the integrity, and stability, of its financial system.

Note: It is understood that the term "prudential reasons" includes the maintenance of the safety, integrity, or stability of individual financial institutions.

2. Without prejudice to paragraph 3, a Contracting Party shall not be prevented from taking non-discriminatory measures of general application in pursuit of monetary and exchange policies.

3. Where the measures taken by a Contracting Party pursuant to paragraphs 1 and 2 do not conform with this Agreement, they shall not be used as a means of avoiding the obligations of the Contracting Party under this Agreement.

4. With regard to disputes relating to financial services, Article 20 only applies to disputes regarding matters that affect the operation, management, maintenance, use, enjoyment and sale or other disposal of investments or the investments of investors of a Contracting Party already established, acquired or expanded in the Area of the other Contracting Party in accordance with its laws and regulations.

5. With regard to investment disputes with respect to investments or investment activities of a disputing investor relating to financial services, Article 21 only applies to investment disputes regarding investments already established, acquired or expanded in the Area of the disputing Party in accordance with its laws and regulations, as well as the investment activities associated with such investments.

6. The arbitration board established under Article 20 or the arbitral tribunal established under Article 21 for disputes arising under this Annex shall be composed entirely of arbitrators who have expertise or experience in financial services law or practice, which may include the laws and regulations of financial institutions.

7. In any dispute submitted to an arbitration board under Article 20 or an arbitral tribunal under Article 21, in which a Contracting Party invokes paragraph 1 or 2 of this Annex as a defence, the arbitration board or arbitral tribunal shall require the competent financial authorities of both Contracting Parties to make a determination on the issue of whether the measure by the Contracting Party which is a cause of the dispute is included in the measures referred to in such paragraph. This determination shall be binding on the arbitration board or arbitral tribunal and shall be issued within the term of ninety (90) days since the receipt of the requirement from the arbitration board or arbitral tribunal. In the case where the competent financial authorities fail to make the determination within ninety (90) days, the issue shall be resolved by the arbitration board or arbitral tribunal.

Note: For the purposes of this paragraph, the term "competent financial authorities" means:

- (i) with respect to Japan, the Commissioner of the Financial Services Agency or his or her authorized representatives, who shall consider the issue in consultation with the Minister for Foreign Affairs or his or her authorized representatives; and
- (ii) with respect to the Oriental Republic of Uruguay, the Minister of Economy and Finance or his or her authorized representatives and the President of the Central Bank of Uruguay or his or her authorized representatives.

8. The term "financial services" shall have the same meaning as in subparagraph 5(a) of the Annex on Financial Services of the General Agreement on Trade in Services in Annex 1B to the WTO Agreement.