

Annex I
Existing Non-Conforming Measures referred to
in subparagraph 1(a) of Article 7

1. The Schedule of a Contracting Party sets out, pursuant to subparagraph 1(a) of Article 7, its existing measures that are not subject to some or all of the obligations imposed by:

- (a) Article 2;
- (b) Article 3; or
- (c) Article 6.

2. Each Schedule entry sets out the following elements:

- (a) "Sector" refers to the sector for which the entry is made;
- (b) "Sub-Sector", where referenced, refers to the specific sub-sector for which the entry is made;
- (c) "Industry Classification", where referenced, and only for transparency purposes, refers to the activity covered by the non-conforming measure, according to domestic or international industry classification codes;
- (d) "Obligations Concerned" specifies the obligations referred to in paragraph 1 that, pursuant to subparagraph 1(a) of Article 7, do not apply to the listed measure(s);
- (e) "Measures" identifies the laws, regulations or other measures for which the entry is made. 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
- (f) "Description" sets out the non-conforming measure or provides a general non-binding description of the measure for which the entry is made.

3. In the interpretation of an entry, all elements of the entry shall be considered. An entry shall be interpreted in the light of the relevant provisions of this Agreement against which the entry is made, and the "Measures" element shall prevail over all the other elements.

4. For the purposes of this Annex:

- (a) the term "JSIC" means Japan Standard Industrial Classification set out by the Ministry of Internal Affairs and Communications of Japan, and revised on October 30, 2013; and
- (b) the term "Classification of Economic Activity GNC006-2016/Rev.2" means Georgian Classification of Types of Economic Activity set out by the National Statistics Office of Georgia in 2016.

Schedule of Japan¹

1 Sector: Agriculture, Forestry and Fisheries, and Related Services (except those covered by the entry No.8 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.

Obligations Concerned: National Treatment (Article 2)

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 those covered by the entry No. 8 in the Schedule of Japan in Annex II) in Japan.

¹ For transparency purposes, entries in this Schedule may include measures taken by Japan in accordance with Article 15.

2 Sector: Finance

Sub-Sector: Banking

Industry Classification: JSIC 622 Banks, except central bank

JSIC 631 Financial institutions for small-businesses

Obligations Concerned: National Treatment (Article 2)

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

Obligations Concerned: National Treatment (Article 2)

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 the 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 wired broadcast telephones

JSIC 3731 Services incidental to telecommunications

Obligations Concerned: National Treatment (Article 2)

Prohibition of Performance Requirements (Article 6)

Measures: Law concerning Nippon Telegraph and Telephone Corporation, etc. (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 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 member of the board of directors 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 wired broadcast telephones
		JSIC 3712	Long-distance telecommunications
		JSIC 3713	Wired broadcast telephones
		JSIC 3719	Miscellaneous fixed telecommunications
		JSIC 3721	Mobile telecommunications
		JSIC 4011	Web portal providers
		JSIC 4012	Application services providers
		JSIC 4013	Internet support services
		Note:	The activities covered by this entry under JSIC 4011 or 4012 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).
	Obligations Concerned:	National Treatment (Article 2)	
	Measures:	Foreign Exchange and Foreign Trade Law (Law No. 228 of 1949), Articles 27 and 28	
		Cabinet Order on Foreign Direct Investment (Cabinet Order No. 261 of 1980), Articles 3 and 4	

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

6 Sector:	Manufacturing and Information and Communications	
Sub-Sector:	Manufacture of Electronic Parts, Devices and Electronic Circuits and Information Services	
Industry Classification:	JSIC 2814	Integrated circuits
	JSIC 2831	Semiconductor memory media
	JSIC 2832	Optical discs and magnetic tapes and discs
	JSIC 2842	Electronic circuit implementation board
	JSIC 3011	Communication equipment wired
	JSIC 3012	Mobile phone and PHS
	JSIC 3013	Radio communication equipment
	JSIC 3031	Computer, except personal computer
	JSIC 3032	Personal computer
	JSIC 3033	External storages
	JSIC 3911	Custom software services
	JSIC 3912	Embedded software services
	JSIC 3913	Package software services
	JSIC 3921	Data processing services
Obligations Concerned:	National Treatment (Article 2)	
Measures:	Foreign Exchange and Foreign Trade Law (Law No. 228 of 1949), Articles 27 and 28	

Cabinet Order on Foreign Direct Investment (Cabinet Order No. 261 of 1980), Articles 3 and 4

Description: The prior notification requirement under the Foreign Exchange and Foreign Trade Law applies to foreign investors who intend to make investments in manufacturing industry of electronic parts, devices and electronic circuits and information service industry in Japan.

7 Sector: Manufacturing

Sub-Sector: Drugs and Medicines and Medical Devices Manufacturing

Industry Classification: JSIC 165 Medicines
JSIC 1653 Biological preparations

Pharmaceutical intermediates in JSIC Division E (Manufacturing), which relate to JSIC 165 and 1653.

JSIC 274 Medical instruments and apparatus, and medical supplies

JSIC 296 Electronic equipment

JSIC 2973 Medical measuring instruments

Note: The activities covered by this entry under JSIC 165, 274, 296 or 2973 are limited to the activities related to manufacturing industry of agents against pathogenic organisms and parasites, their pharmaceutical intermediates and specially-controlled medical devices.

Obligations Concerned: National Treatment (Article 2)

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, manufacturing industry of agents against pathogenic organisms and parasites, and their pharmaceutical intermediates and manufacturing industry of specially-controlled medical devices and their accessories, and components of specially-controlled medical devices or their accessories in Japan.

For the purposes of this entry:

- (a) "biological preparations manufacturing industry" deals with economic activities in an establishment which produces vaccine, serum, toxoid, antitoxin and some preparations similar to the aforementioned products, or blood products;
- (b) "agents against pathogenic organisms and parasites" means the pharmaceutical products which are categorised as agents against pathogenic organisms and parasites, and which have received marketing approval, under the laws and regulations of Japan; and
- (c) "specially-controlled medical devices" means medical devices which have received marketing approval or certification as specially-controlled medical devices under the laws and regulations of Japan.

8	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 and industrial leather products, except gloves and mittens
		JSIC 2031	Cut stock and findings for leather footwear
		JSIC 2041	Leather footwear
		JSIC 2051	Leather gloves and mittens
		JSIC 2061	Baggage
		JSIC 207	Handbags and small cases
		JSIC 2081	Fur skins
		JSIC 2099	Miscellaneous tanning leather products
		JSIC 3253	Sporting and athletic goods
	Note 1:	The activities covered by this entry under JSIC 1189 or 3253 are limited to the activities related to leather and leather products manufacturing.	

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

Obligations Concerned:

National Treatment (Article 2)

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.

9 Sector: Matters Related to the Nationality
of a Ship

Sub-Sector:

Industry
Classification:

Obligations Concerned: National Treatment (Article 2)
Prohibition of Performance
Requirements (Article 6)

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 the laws and
regulations of Japan, of which all
the representatives and not less
than two-thirds of the executives
administering the affairs are
Japanese nationals.

10 Sector: Mining

Sub-Sector:

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

Obligations Concerned: National Treatment (Article 2)

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.

11 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, except refrigerated warehousing
	JSIC 4721	Refrigerated warehousing
	JSIC 5331	Petroleum
	JSIC 6051	Gasoline stations
	JSIC 6052	Fuel stores, except gasoline stations
	JSIC 9299	Miscellaneous business services, n.e.c.

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

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

Obligations Concerned: National Treatment (Article 2)

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 the oil industry in Japan. All organic chemicals such as ethylene, ethylene glycol and polycarbonates are outside the scope of the oil industry. Therefore, the prior notification under the Foreign Exchange and Foreign Trade Law is not required for the investments in the manufacture of these products.

12 Sector: Security Guard Services

Sub-Sector:

Industry JSIC 923 Guard services
Classification:

Obligations National Treatment (Article 2)
Concerned:

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

Obligations Concerned: National Treatment (Article 2)

Most-Favoured-Nation Treatment (Article 3)

Prohibition of Performance Requirements (Article 6)

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

In the event that an air carrier becomes 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. A Japanese air carrier or a 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 2(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 that such air carrier or company becomes 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

Obligations Concerned: National Treatment (Article 2)

Prohibition of Performance Requirements (Article 6)

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

In the event that a person conducting aerial work business becomes 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: Registration of Aircraft in the National Register

Industry Classification:

Obligations Concerned: National Treatment (Article 2)
Prohibition of Performance Requirements (Article 6)

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 and regulations 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 one-third or more of the directors are composed of the natural persons or entities referred to in subparagraph (a), (b) or (c); or a legal person of which one-third or more 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: JSIC 4441 Collect-and-deliver
freight transport

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

Obligations
Concerned: National Treatment (Article 2)

Most-Favoured-Nation Treatment
(Article 3)

Prohibition of Performance
Requirements (Article 6)

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: 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:

(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 and regulations 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 one-third or more of the directors are composed of the natural persons or entities referred to in subparagraph (a), (b) or (c); or a legal person of which one-third or more 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 Freight transport, except collect-and-deliver freight transport

Obligations Concerned: National Treatment (Article 2)

Most-Favoured-Nation Treatment (Article 3)

Prohibition of Performance Requirements (Article 6)

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 a foreign public entity or its equivalent;
- (c) a legal person or other entity constituted under the laws and regulations 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 one-third or more of the directors are composed of the natural persons or entities referred to in subparagraph (a), (b) or (c); or a legal person of which one-third or more 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 paragraph 1 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

Obligations Concerned: National Treatment (Article 2)

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: 1. 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.
2. The manufacture of vehicles or parts and components for the railway transport industry is not included in railway transport industry. Therefore, the 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

Obligations Concerned: National Treatment (Article 2)

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

2. The manufacture of vehicles or parts and components for the omnibus industry is not included in the omnibus industry. Therefore, the 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

Obligations Concerned: National Treatment (Article 2)

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 the water transport industry in Japan. For greater certainty, "water transport industry" refers to oceangoing or seagoing transport, coastwise transport (i.e. maritime transport between ports in Japan), inland water transport and ship leasing industry. However, oceangoing or seagoing transport industry and ship leasing industry excluding coastwise ship leasing industry are exempted from the prior notification requirement under the Foreign Exchange and Foreign Trade Law.

21 Sector: Transport

Sub-Sector: Water Transport

Industry
Classification:

Obligations
Concerned: National Treatment (Article 2)
Most-Favoured-Nation Treatment
(Article 3)

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 the ports in Japan
which are not open to foreign
commerce and from carrying cargoes
or passengers between ports in
Japan.

22 Sector: Water Supply and Waterworks

Sub-Sector:

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

Obligations Concerned: National Treatment (Article 2)

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.

23	Sector:	Aerospace Industry	
	Sub-Sector:	Aircraft Manufacturing and Repairing Industry	
	Industry Classification:	JSIC 16	Manufacture of chemical and allied products
		JSIC 18	Manufacture of plastics products, except otherwise classified
		JSIC 19	Manufacture of rubber products
		JSIC 21	Manufacture of ceramic, stone and clay products
		JSIC 23	Manufacture of non-ferrous metals and products
		JSIC 24	Manufacture of fabricated metal products
		JSIC 25	Manufacture of general purpose machinery
		JSIC 27	Manufacture of business oriented machinery
		JSIC 28	Electronic parts, devices and electronic circuits
		JSIC 29	Manufacture of electrical machinery, equipment and supplies
		JSIC 30	Manufacture of information and communication electronics equipment
		JSIC 31	Manufacture of transportation equipment
		JSIC 39	Information services

JSIC 90 Machine, etc. repair
 services, except
 otherwise classified

Note: The activities covered by
 this entry under JSIC 16, 18,
 19, 21, 23, 24, 25, 27, 28,
 29, 30, 31, 39 or 90 are
 limited to those related to
 aerospace industry.

Obligations National Treatment (Article 2)
Concerned:

Prohibition of Performance
Requirements (Article 6)

Measures: Foreign Exchange and Foreign
 Trade Law (Law No. 228 of 1949),
 Articles 27, 28 and 30

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

Aircraft Manufacturing Industry Law
(Law No. 237 of 1952), Articles 2
through 5

Description:

1. The prior notification requirement under the Foreign Exchange and Foreign Trade Law applies to foreign investors who intend to make investments in aircraft industry in Japan.
2. A technology introduction contract between a resident and a non-resident related to the aircraft industry is subject to the prior notification requirement under the Foreign Exchange and Foreign Trade Law.
3. The number of licences conferred to manufactures and service suppliers in those sectors may be limited.

4. An enterprise which intends to produce aircraft and supply repair services is required to establish a factory related to manufacture or repair aircraft under the laws and regulations of Japan.

Schedule of Georgia

1 Sector: All

Sub-Sector:

Industry
Classification:

Obligations
Concerned: National Treatment (Article 2)
Prohibition of Performance
Requirements (Article 6)

Measures: Constitution of Georgia (amended on
October 13, 2017), Article 19,
paragraph 4
Organic Law of Georgia on
"Agricultural Land Ownership" (June
25, 2019)
Law of Georgia on "State Property"
(July 21, 2010)
Law of Georgia on "Determination of
the Designated Purpose of Land and
on Sustainable Management of
Agricultural Land" (June 25, 2019)

Description: Agricultural land shall only be
owned by the State, self-governing
entity, citizen of Georgia or union
of Georgian citizens, as well as by
an alien or a legal entity
established in Georgia under its
private law in accordance with the
requirements prescribed by the
domestic legislation.
Only a citizen of Georgia, or a
legal entity registered in Georgia
pursuant to its private laws, has
the right to acquire ownership over
the state-owned agricultural land
plot.

2 Sector: Fishing

Sub-Sector:

Industry Classification of Economic Activity
Classification: GNC 006-2016/Rev.2

A 03.1 - Fishing

Obligations Concerned: National Treatment (Article 2)

Measures: Resolution No. 138 of the Government of Georgia on "Approval of Regulations on Rules and Conditions on Issuance of Fishing Licence" (August 11, 2005), Article 4

Description: Fishing licence can only be granted to a natural or a legal person who is a resident of Georgia.

3 Sector: Agriculture

Sub-Sector: Agricultural Cooperation

Industry
Classification:

Obligations
Concerned: National Treatment (Article 2)

Measures: Law of Georgia on "Agricultural
Cooperatives" (July 12, 2013)

Description: A member of an agricultural
cooperative may be an 18-year-old or
older citizen of Georgia and/or
other agricultural cooperative, that
directly participates in
agricultural activities carried out
by the cooperative and owns
membership shares.

An 18-year-old or older citizen of
Georgia or foreign countries and/or
a legal entity registered in Georgia
or abroad, that has contributed
membership fee, in accordance with
the law of Georgia on "Agricultural
Cooperatives" and a decision of the
cooperative members' assembly, has a
right to be an associated member of
the agricultural cooperative.

The associated member may
participate in an assembly only with
the right of deliberative vote.

The associated member has the right
to receive dividends from the
contributed membership fee and can
be elected as the member of the
supervisory board or executive
council.

The associated member may not be
directly involved in agricultural
activities carried out by the
agricultural cooperative.

4 Sector: Financial Services - Insurance

Sub-Sector: All insurance and insurance-related services

Industry Classification: Classification of Economic Activity
GNC 006-2016/Rev.2

K 65 - Insurance, reinsurance and pension funding, except compulsory social security

Obligations Concerned: National Treatment (Article 2)
Most-Favoured-Nation Treatment (Article 3)

Measures: Law of Georgia on "Insurance" (May 2, 1997), Articles 2, 7 and 22

Description: The below-listed entities have the right to carry out only insurance activities such as life insurance, insurance (non-life) and/or reinsurance in Georgia:

(a) A legal person registered in Georgia as joint stock company, established for the implementation of insurance activities and licensed by Legal Entity of Public Law Insurance State Supervision Service of Georgia;

(b) A branch (representative office) founded in Georgia, by insurance and reinsurance companies registered and licensed in member states of the Organisation for Economic Cooperation and Development (OECD). Such branch can conduct all the above-mentioned types of insurance activities in Georgia on the basis of the licence of its founder insurance company without being obliged to obtain another licence in Georgia. Thus, a licence held by a founder insurance company shall have the same legal status as a licence issued on the basis of the legislation of Georgia and no one shall have the right to request the branch (representative office) to obtain an appropriate licence.

5 Sector: Financial Services - Insurance

Sub-Sector: Services auxiliary to insurance
(including insurance brokering and
insurance agency services)

Industry Classification: Classification of Economic Activity
GNC 006-2016/Rev.2

K 66.1 - Activities auxiliary to
financial services and insurance
activities

K 66.2 - Activities auxiliary to
insurance and pension funding

Obligations Concerned: National Treatment (Article 2)

Measures: Law of Georgia on "Insurance" (May
2, 1997), Article 7

Description: A legal person registered in a
foreign country shall carry out
insurance brokerage activity in
Georgia through a branch
(representative office) duly
registered in Georgia.

6 Sector: Broadcasting

Sub-Sector: Over-the-air broadcasting

Industry Classification: Classification of Economic Activity
Classification: GNC 006-2016/Rev.2

J 60 - Programming and broadcasting activities

Obligations Concerned: National Treatment (Article 2)

Measures: Law of Georgia on "Broadcasting" (December 23, 2004), Articles 37 and 43

Description: A licence holder and/or authorised person to conduct the types of broadcasting which are described below shall be a citizen of Georgia or a natural or a legal person who is a resident of Georgia.

(a) Radio broadcasting:

A licence is required for radio broadcasting only when it is carried out by means of broadcast transmitters using the radio frequency spectrum.

(b) TV broadcasting:

TV broadcaster, except Public Broadcaster, shall be subject to authorisation. Building a TV multiplex platform requires a licence.

Annex II
Non-Conforming Measures referred to
in paragraph 2 of Article 7

1. The Schedule of a Contracting Party sets out, pursuant to paragraph 2 of Article 7, the specific sectors, sub-sectors or activities for which that Contracting Party may maintain existing, or adopt new or more restrictive, measures that do not conform with obligations imposed by:

- (a) Article 2;
- (b) Article 3; or
- (c) Article 6.

2. Each Schedule entry sets out the following elements:

- (a) "Sector" refers to the sector for which the entry is made;
- (b) "Sub-Sector", where referenced, refers to the specific sub-sector for which the entry is made;
- (c) "Industry Classification", where referenced, and only for transparency purposes, refers to the activity covered by the non-conforming measure, according to domestic or international industry classification codes;
- (d) "Obligations Concerned" specifies the obligations referred to in paragraph 1 that, pursuant to paragraph 2 of Article 7, do not apply to the sectors, sub-sectors or activities listed in the entry;
- (e) "Description" sets out the scope or nature of the sectors, sub-sectors or activities covered by the entry; and
- (f) "Existing Measures", where specified, identifies, for transparency purposes, a non-exhaustive list of existing measures that apply to the sectors, sub-sectors or activities covered by the entry.

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

4. For the purposes of this Annex:

- (a) the term "JSIC" means Japan Standard Industrial Classification set out by the Ministry of Internal Affairs and Communications of Japan, and revised on October 30, 2013; and
- (b) the term "CPC" means the Provisional Central Product Classification (Statistical Papers Series M No. 77, Department of International Economic and Social Affairs, Statistical Office of the United Nations, New York, 1991).

Schedule of Japan¹

1 Sector:	All
Sub-Sector:	
Industry Classification:	
Obligations Concerned:	National Treatment (Article 2) Prohibition of Performance Requirements (Article 6)
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 Georgia or their investments; (b) impose limitations on the ability of investors of Georgia 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:	

¹ For transparency purposes, entries in this Schedule may include measures taken by Japan in accordance with Article 15.

2 Sector: All

Sub-Sector:

Industry
Classification:

Obligations
Concerned: National Treatment (Article 2)

Most-Favoured-Nation Treatment
(Article 3)

Prohibition of Performance
Requirements (Article 6)

Description: Japan reserves the right to adopt or
maintain any measure relating to
investment in telegraph services,
betting and gambling services,
manufacture of tobacco products,
manufacture of Bank of Japan notes,
minting and sale of coinage and
postal service in Japan.

Existing
Measures:

3 Sector: All

Sub-Sector:

Industry
Classification:

Obligations Most-Favoured-Nation Treatment
Concerned: (Article 3)

Description: Japan reserves the right to adopt or
maintain any measure that accords
differential treatment to countries
under any bilateral or multilateral
agreement involving:

(a) aviation;

(b) fisheries; or

(c) maritime matters, including
salvage.

Existing
Measures:

4 Sector: All

Sub-Sector:

Industry
Classification:

Obligations Concerned: National Treatment (Article 2)

Most-Favoured-Nation Treatment
(Article 3)

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

Existing
Measures:

5 Sector: Aerospace Industry

Sub-Sector: Space Industry

Industry
Classification:

Obligations
Concerned: National Treatment (Article 2)
Prohibition of Performance
Requirements (Article 6)

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

Existing
Measures: Foreign Exchange and Foreign
Trade Law (Law No. 228 of 1949),
Articles 27, 28 and 30
Cabinet Order on Foreign Direct
Investment (Cabinet Order No. 261
of 1980), Articles 3 through 5

6 Sector: Arms and Explosives Industry

Sub-Sector: Arms Industry

Explosives Manufacturing Industry

Industry
Classification:

Obligations
Concerned: National Treatment (Article 2)

Prohibition of Performance
Requirements (Article 6)

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, 28 and 30

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

7 Sector: Energy

Sub-Sector: Electricity Utility Industry
Gas Utility Industry
Nuclear Energy Industry

Industry
Classification:

Obligations
Concerned: National Treatment (Article 2)
Prohibition of Performance
Requirements (Article 6)

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, 28 and 30

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

8	Sector:	Fisheries										
	Sub-Sector:	Fisheries within the Territorial Sea, Internal Waters, Exclusive Economic Zone and Continental Shelf										
	Industry Classification:	<table border="0"> <tr> <td style="vertical-align: top;">JSIC 031</td> <td>Marine fisheries</td> </tr> <tr> <td style="vertical-align: top;">JSIC 032</td> <td>Inland water fisheries</td> </tr> <tr> <td style="vertical-align: top;">JSIC 041</td> <td>Marine aquaculture</td> </tr> <tr> <td style="vertical-align: top;">JSIC 042</td> <td>Inland water aquaculture</td> </tr> <tr> <td style="vertical-align: top;">JSIC 8093</td> <td>Recreational fishing guide business</td> </tr> </table>	JSIC 031	Marine fisheries	JSIC 032	Inland water fisheries	JSIC 041	Marine aquaculture	JSIC 042	Inland water aquaculture	JSIC 8093	Recreational fishing guide business
JSIC 031	Marine fisheries											
JSIC 032	Inland water fisheries											
JSIC 041	Marine aquaculture											
JSIC 042	Inland water aquaculture											
JSIC 8093	Recreational fishing guide business											
	Obligations Concerned:	<p>National Treatment (Article 2)</p> <p>Most-Favoured-Nation Treatment (Article 3)</p> <p>Prohibition of Performance Requirements (Article 6)</p>										
	Description:	<p>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.</p> <p>For the purposes of this entry, the term "fisheries" means the work of taking and cultivation of aquatic resources, including the following fisheries related activities:</p> <ul style="list-style-type: none"> (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 through 12 and 14

9 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

Obligations Concerned: National Treatment (Article 2)

Prohibition of Performance Requirements (Article 6)

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), Chapter 2

Broadcast Law (Law No. 132 of 1950), Chapters 5 and 8

10 Sector: Land Transaction

Sub-Sector:

Industry
Classification:

Obligations Concerned: National Treatment (Article 2)
Most-Favoured-Nation Treatment
(Article 3)

Description: With respect to the acquisition or
lease of land properties in Japan,
prohibitions or restrictions may be
imposed.

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

11 Sector: Public Law Enforcement and
Correctional Services and Social
Services

Sub-Sector:

Industry
Classification:

Obligations Concerned: National Treatment (Article 2)
Most-Favoured-Nation Treatment
(Article 3)
Prohibition of Performance
Requirements (Article 6)

Description: Japan reserves the right to adopt or
maintain any measure relating to
investment in public law enforcement
and correctional services, and in
social services such as income
security or insurance, social
security or insurance, social
welfare, public training, health,
child care and public housing.

Existing
Measures:

12 Sector: Transport

Sub-Sector: Air Transport

Industry
Classification:

Obligations
Concerned: National Treatment (Article 2)
Prohibition of Performance
Requirements (Article 6)

Description: Japan reserves the right to adopt or
maintain any measure with respect to
investment in airports or airport
operation services.

For the purposes of this entry, the
term "airport operation services"
means the supply of air terminal,
airfield and other airport
infrastructure operation services on
a fee or contract basis. Airport
operation services do not include air
navigation services.

Existing
Measures:

13	Sector:	Education and Learning Support	
	Sub-Sector:	Primary and Secondary Educational Services	
	Industry Classification:	JSIC 811	Kindergartens
		JSIC 812	Elementary schools
		JSIC 813	Lower secondary schools
		JSIC 814	Upper secondary schools, secondary schools
		JSIC 815	Schools for special needs education
		JSIC 819	Integrated centres for early childhood education and care
	Obligations Concerned:	National Treatment (Article 2)	
	Description:	Japan reserves the right to adopt or maintain any measure relating to investment in primary and secondary educational services.	
	Existing Measures:	Fundamental Law of Education (Law No. 120 of 2006), Article 6	
		School Education Law (Law No. 26 of 1947), Article 2	
		Private School Law (Law No. 270 of 1949), Article 3	
		Law concerning Advancement of Comprehensive Service Related to Education, Child Care, etc. of Preschool Children (Law No. 77 of 2006)	

14 Sector: All

Sub-Sector:

Industry
Classification:

Obligations Concerned: National Treatment (Article 2)

Most-Favoured-Nation Treatment
(Article 3)

Prohibition of Performance
Requirements (Article 6)

Description: 1. Japan reserves the right to adopt or maintain any measure relating to investment in industries other than those recognised or other than those that should have been recognised by the Government of Japan owing to the circumstances on the date of entry into force of this Agreement.

2. Any industries classified positively and explicitly in JSIC or CPC, on the date of entry into force of this Agreement should have been recognised by the Government of Japan on that date.

3. Japan reserves the right to adopt or maintain any measure relating to investment in industries which were not technically feasible on the date of entry into force of this Agreement.

Existing
Measures:

Schedule of Georgia

1 Sector: All

Sub-Sector:

Industry
Classification:

Obligations Concerned: National Treatment (Article 2)
Most-Favoured-Nation Treatment (Article 3)

Description: Georgia reserves the right to adopt or maintain any measure, which may not accord to investors of Japan and their investments National Treatment or Most Favoured-Nation Treatment with respect to subsidies or grants, including governmental-supported loans, guarantees and insurance, provided that it is not inconsistent with Georgia's obligations under the WTO Agreement.

Existing
Measures:

2 Sector: All

Sub-Sector:

Industry
Classification:

Obligations
Concerned: National Treatment (Article 2)
Most-Favoured-Nation Treatment
(Article 3)
Prohibition of Performance
Requirements (Article 6)

Description: Georgia reserves the right to adopt
or maintain any measure indicated in
its Horizontal Commitments of the
Schedule of Specific Commitments in
Service under the WTO Agreement
(GATS/SC/129,2000 (I Horizontal
Commitments)).

Existing
Measures: Schedule of Specific Commitments in
Service under the WTO Agreement
(GATS/SC/129,2000 (I Horizontal
Commitments))

3 Sector: Public law enforcement and
correctional services and social
services

Sub-Sector:

Industry
Classification:

Obligations
Concerned: National Treatment (Article 2)

Most-Favoured-Nation Treatment
(Article 3)

Prohibition of Performance
Requirements (Article 6)

Description: Georgia reserves the right to adopt
or maintain any measure relating to
investment in public law enforcement
and correctional services, medical
service and mother and child
healthcare, provided that it is not
inconsistent with Georgia's
obligations under the WTO Agreement.

Existing
Measures:

4 Sector: Construction and Related Engineering
Activities

Sub-Sector:

Industry
Classification:

Obligations Prohibition of Performance
Concerned: Requirements (Article 6)

Description: Georgia reserves the right to adopt
or maintain any measure relating to
investment in construction and
related engineering activities that
not less than 50 percent of the
entire staff must be citizens of
Georgia.

Existing
Measures:

5 Sector: Tourism

Sub-Sector: Tourist Guides

Industry
Classification:

Obligations
Concerned: National Treatment (Article 2)

Most-Favoured-Nation Treatment
(Article 3)

Prohibition of Performance
Requirements (Article 6)

Description: Georgia reserves the right to adopt
or maintain any measure relating to
qualification requirements and
procedures, technical standards and
licensing requirements and
procedures for tourist guides and
guide services.

Existing
Measures:

6 Sector: Power and Energy

Sub-Sector: Electricity, Gas and Oil

Industry
Classification:

Obligations Concerned: National Treatment (Article 2)
Prohibition of Performance
Requirements (Article 6)

Description: Georgia reserves the right to adopt
or maintain any measure relating to
investment in the power and energy
sector listed in the "Sub-Sector"
element.

Existing
Measures: