



31 July 2015

(15-3994)

Page: 1/7

Council for Trade in Services

Original: English

NOTIFICATION OF JAPAN'S PREFERENTIAL TREATMENT TO SERVICES AND SERVICES SUPPLIERS OF LEAST-DEVELOPED COUNTRIES

The following notification from the delegation of Japan, dated 31 July 2015, is being circulated to the Members of the Council for Trade in Services.

In accordance with the decision by Ministers at the WTO's Eighth Ministerial Conference on Preferential Treatment to Services and Service Suppliers of Least-Developed Countries (WT/L/847), and the decision by Ministers at the WTO's Ninth Ministerial Conference on Operationalization of the Waiver Concerning Preferential Treatment to Services and Services Suppliers of Least-Developed Countries (WT/L/918), with effect from August 1, 2015, the Government of Japan wishes to inform the World Trade Organization Council for Trade in Services of the following.

The following treatment is made in sectors and modes of supply that are of key interest to Least-Developed Countries, as set out in The Collective Request Pursuant to the Bali Decision on the Operationalization of the LDC Services Waiver Concerning Preferential Treatment to Services and Service Suppliers of Least Developed Countries (S/C/W/356) in accordance with relevant laws and regulations of Japan. Japan intends to maintain these preferences for the period of the Waiver.

1 HORIZONTAL

The treatment concerning the entry and temporary stay of natural persons in the following categories is made available in accordance with relevant laws and regulations of Japan:

a. Investors

A natural person who will engage in one of the following activities in Japan for a period of up to five years, which may be extended, during its temporary stay in Japan:

- i. Activities to invest in business in Japan and manage such business;
- ii. Activities to manage business in Japan on behalf of a person other than that of Japan who has invested in such business; or
- iii. Conduct of business in Japan in which a person other than that of Japan has invested.

b. Natural Persons Who Engage in Business Activities Which Require Technology or Knowledge at an Advanced Level on the Basis of a Contract with Public or Private Organizations in Japan

A natural person who is engaged in one of the following activities during its temporary stay in Japan for a period of up to five years, which may be extended, on the basis of a personal contract with a public or private organization in the territory of Japan:

- i. Activities that require technology and/or knowledge at an advanced level pertinent to physical sciences, engineering or other natural sciences, or to human sciences, including jurisprudence, economics, business management and accounting; or
- ii. Activities that require ideas and sensitivity based on culture of a country other than Japan,

under the status of residence of "Engineer/Specialist in Humanities/International Services", whose scope is provided for in the Immigration Control and Refugee Recognition Act as amended by the Law for Partial Amendments to the Immigration Control and Refugee Recognition Act (Law No. 74 of 2014).

The activities that require technology or knowledge at an advanced level pertinent to natural or human sciences referred to in subparagraph b.i. mean the activities in which the natural person may not be able to engage without the application of specialized technology or knowledge of natural or human sciences acquired by him or her by, in principle, completing college education (i.e. bachelor's degree) or higher education.

c. Accompanying Spouse and Children

A spouse and children accompanying a natural person who is granted entry and temporary stay pursuant to subparagraph a. or b., in principle for the same period as the period of temporary stay granted to the natural person, provided that such spouse and children obtain maintenance from the natural person and engage in daily activities recognized under the status of residence of "Dependents" provided for in the Immigration Control and Refugee Recognition Act.

2 SECTOR-SPECIFIC

2.1. The following treatment is made available with respect to the application of measures described in Article XVI of the General Agreement on Trade in Services, subject to limitations set out the Horizontal Commitments section of Japan's Schedule of Specific Commitments (GATS/SC/46) as well as the commitments set out in 1 above (hereinafter "HORIZONTAL COMMITMENTS") and in accordance with relevant laws and regulations of Japan.

2.2. Alphabets and numbers indicated in each sector-specific commitments are reference to Services Sectoral Classification List (WTO Secretariat's Documents MTN.GNS/W/120, dated 10 July 1991) and 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).

2.3. The entry "Unbound*" means unbound due to lack of technical feasibility.

2.4. The use of "***" against individual CPC codes indicates that the specific commitment for that code does not extend to the total range of services covered under that code.

Sector or sub-sector	Limitations on market access
Accounting, auditing and bookkeeping services (CPC 862)	<p>1) None except that: provision of the services that must be supplied by an accountant qualified as "Koninkaikeishi" or an Audit Corporation under Japanese law is restricted to a natural person or an Audit Corporation; and commercial presence is required for an Audit Corporation.</p> <p>2) None except that: provision of the services that must be supplied by an accountant qualified as "Koninkaikeishi" or an Audit Corporation under Japanese law is restricted to a natural person or an Audit Corporation; and commercial presence is required for an Audit Corporation.</p> <p>3) None except that provision of the services that must be supplied by an accountant qualified as "Koninkaikeishi" or an Audit Corporation under Japanese law is restricted to a natural person or an Audit Corporation.</p> <p>4) Unbound except as indicated in HORIZONTAL COMMITMENTS</p>
Convention services (CPC 87909**)	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound except as indicated in HORIZONTAL COMMITMENTS.</p>
Entertainment services (CPC 9619)	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound except as indicated in HORIZONTAL COMMITMENTS.</p>
<p>Franchising (CPC 8929)</p> <p>(b) These services related to petroleum and petroleum products</p> <p>(c) These services related to alcoholic beverages</p> <p>(d) These services supplied at Public Wholesale Market</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound</p> <p>1) None</p> <p>2) None</p> <p>3) None except that the number of licenses conferred to service suppliers may be limited. 4) Unbound except as indicated in HORIZONTAL COMMITMENTS. In addition, the number of licenses conferred to service suppliers may be limited.</p> <p>1) Unbound*</p> <p>2) Unbound*</p> <p>3) None except that: the number of licenses conferred to service suppliers may be limited; and a service supplier at Central Public Wholesale Market must be a juridical person established under Japanese law, in accordance with the Public Wholesale Market Law (Law No. 35 of 1971).</p>

Sector or sub-sector	Limitations on market access
	4) Unbound except as indicated in HORIZONTAL COMMITMENTS. In addition, the number of licenses conferred to service suppliers may be limited; and a service supplier at Central Public Wholesale Market must be a juridical person established under Japanese law, in accordance with the Public Wholesale Market Law.
Hotels and restaurants services (CPC 641-643)	1) None 2) None 3) None 4) Unbound except as indicated in HORIZONTAL COMMITMENTS
Investigation Services (CPC 87301)	1) None 2) None 3) None 4) Unbound except as indicated in HORIZONTAL COMMITMENTS.
Security guard services (CPC 873, except 87301)	1) None except that commercial presence is required. 2) None 3) None 4) Unbound
Urban planning and landscape architectural services (CPC 8674) Excluding architectural services and civil engineering consulting services.	1) None 2) None 3) None 4) Unbound except as indicated in HORIZONTAL COMMITMENTS
Mailing list compilation services (CPC 87906)	1) None 2) None 3) None 4) Unbound except as indicated in HORIZONTAL COMMITMENTS.
Medical and dental services (CPC 9312)	1) Unbound* 2) None 3) Unbound except that there is no limitation on the participation of foreign capital. 4) Unbound
Rail Transport Services Passenger transportation (CPC 7111)	1) Unbound* 2) None 3) None 4) Unbound except as indicated in HORIZONTAL COMMITMENTS
Road Transport Services Passenger transportation (CPC 71211, 71212, 71213, 71214, 71221)	1) Unbound* 2) None 3) None except that limitations on the number of service suppliers, on the number of service operations or on the quantity of service output may be applied, on a temporary and non-discriminatory basis.

Sector or sub-sector	Limitations on market access
	4) Unbound except as indicated in HORIZONTAL COMMITMENTS. In addition, limitations on the number of service suppliers, on the number of service operations or on the quantity of service output may be applied, on a temporary and non-discriminatory basis; and commercial presence is required.
<p>Placement services of personnel within Japan except in the following occupations (limited to services to establish employment relationship between a job applicant and an employer seeking personnel on the basis of job applications and offers):</p> <p>(a) port transport services;</p> <p>(b) construction work; and</p> <p>(c) work which is stipulated in the Ministry of Health, Labor and Welfare Ordinance as having a possibility of hindering worker's protection.</p> <p>(CPC 87201, 87202)</p>	<p>1) None except that commercial presence is required.</p> <p>2) Unbound*</p> <p>3) None</p> <p>4) Unbound except as indicated in HORIZONTAL COMMITMENTS. In addition, that commercial presence is required.</p>
<p>Rental/Leasing Services without Operators Relating to vessels (CPC 83103)</p> <p>In the case that services are supplied through the use of vessel flying the flag of Japan, the vessel must be owned by:</p> <p>(a) a natural person having Japanese nationality; or</p> <p>(b) a juridical person established under Japanese law, with all representatives ("daihyosha") and not less than two-thirds of executives administering the affairs of the juridical person ("gyomu-wo-shikkosuru yakuin") having Japanese nationality.</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound except as indicated in HORIZONTAL COMMITMENTS</p>
<p>Rental of commercial vehicles with operator (CPC 7124)</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound except as indicated in HORIZONTAL COMMITMENTS</p>
<p>Services auxiliary to all modes of transport Cargo-handling services (excluding services related to maritime transport services) (CPC 741)</p>	<p>1) Unbound*</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound except as indicated in HORIZONTAL COMMITMENTS</p>
<p>Storage and warehouse services related to petroleum and petroleum products (CPC 742)</p>	<p>1) Unbound*</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound</p>

Sector or sub-sector	Limitations on market access
Freight transport agency services (excluding services related to maritime freight forwarding services) (CPC 748)	1) None except that commercial presence is required. 2) None 3) None 4) Unbound except as indicated in HORIZONTAL COMMITMENTS. In addition, commercial presence is required.
Other Customs clearance agent services in Japan	1) None except that commercial presence is required. 2) None except that commercial presence is required. 3) None 4) Unbound except as indicated in HORIZONTAL COMMITMENTS. In addition, commercial presence is required.
Services incidental to agriculture, hunting and forestry (CPC 881)	1) Unbound* 2) None 3) None 4) Unbound except as indicated in HORIZONTAL COMMITMENTS
Services provided by midwives, nurses, physiotherapists and para-medical personnel (CPC 93191 **)	1) Unbound* 2) None 3) Unbound except that there is no limitation on the participation of foreign capital. 4) Unbound
Sporting and other recreational services Other recreational services (CPC 96499)	1) None 2) None 3) None 4) Unbound except as indicated in HORIZONTAL COMMITMENTS.
Technical testing and analysis services (a) for manufactured goods, excluding services covered by the Measurement Law (Law No. 51 of 1992) (CPC 8676**)	1) None 2) None 3) None 4) Unbound except as indicated in HORIZONTAL COMMITMENTS
(b) covered by the Measurement Law as follows: (CPC 86763**) <ul style="list-style-type: none"> (i) periodic inspection of specified measuring instruments; (ii) verification of specified measuring instruments; (iii) measurement certification business, Including specified measurement certification business; (iv) inspection of specified measuring instruments used for the measurement certification; 	1) None except that commercial presence is required. 2) None except that commercial presence is required. 3) None 4) Unbound except as indicated in HORIZONTAL COMMITMENTS. In addition, commercial presence is required.

Sector or sub-sector	Limitations on market access
(v) accreditation for a person engaged in specified measurement certification business; and (vi) calibration of the measuring instruments and other services.	
Telephone answering services (CPC 87903)	1) None 2) None 3) None 4) Unbound except as indicated in HORIZONTAL COMMITMENTS.
Tourist guides services (CPC 7472)	1) None 2) None 3) None 4) Unbound except as indicated in HORIZONTAL COMMITMENTS
Veterinary services (CPC 932)	1) Unbound* 2) None 3) None 4) Unbound except as indicated in HORIZONTAL COMMITMENTS