

Annex I  
Reservations for Measures referred to  
in paragraph 1 of Article 7

1. The Schedule of a Contracting Party sets out, pursuant to paragraph 1 of Article 7, the reservations taken by that Contracting Party with respect to existing measures that do not conform with obligations imposed by:

- (a) Article 2 (National Treatment);
- (b) Article 3 (Most-Favoured-Nation Treatment); or
- (c) Article 6 (Prohibition of Performance Requirements).

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) "Measures" identifies the existing laws, regulations or other measures for which the reservation is taken. A measure cited in the "Measures" element:
  - (1) means the measure as amended, continued, or renewed as of the date of entry into force of this Agreement; and
  - (2) includes any subordinate measure adopted or maintained under the authority of and consistent with the measure; and
- (f) "Description" sets out, with regard to the obligations referred to in paragraph 1, 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. 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 2) Most-Favoured-Nation Treatment (Article 3)	
	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 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

Type of Reservation: 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 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 2)

Prohibition of Performance Requirements (Article 6)

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 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 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 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 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 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.

8 Sector: Matters Related to the Nationality  
of a Ship

Sub-Sector:

Industry  
Classification:

Type of  
Reservation: 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 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 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.

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 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 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 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 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 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 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 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 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. A 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 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 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 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 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: JSIC 4441 Collect-and-deliver  
freight transport

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

Type of Reservation: 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 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 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 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 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 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 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 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 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 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 2)  
Most-Favoured-Nation Treatment  
(Article 3)

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

Description: Unless otherwise specified in the  
laws 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 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.

Annex II  
Reservations for 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 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 2 (National Treatment);
- (b) Article 3 (Most-Favoured-Nation Treatment); or
- (c) Article 6 (Prohibition of Performance Requirements).

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) "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. 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 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 the State of  
Kuwait or their investments;
- (b) impose limitations on the  
ability of investors of the  
State of Kuwait 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 2)  
Prohibition of Performance  
Requirements (Article 6)

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 liberalised 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 2)  
Most-Favoured-Nation Treatment  
(Article 3)

Description: National Treatment and Most-  
Favoured-Nation Treatment may not be  
accorded to investors of the State  
of Kuwait 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 2)

Prohibition of Performance  
Requirements (Article 6)

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 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 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 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 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 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 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 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), 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 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 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

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

Sub-Sector:

Industry  
Classification:

Type of  
Reservation: 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, primary and secondary  
education, public training, health  
and child care.

Existing  
Measures:

Schedule of the State of Kuwait

1	Sector:	Oil and Gas Industry
	Sub-Sector:	Crude Oil and Natural Gas Production
	Industry Classification:	
	Type of Reservation:	National Treatment (Article 2)
	Description:	Permission of exploration and exploitation of crude oil and natural gas is not granted to foreign investor.
	Existing Measures:	Law No. 8 of 2001 (Regulating Direct Foreign Capital Investment), Article 3  Council of Ministers Resolution No. 1006/1 of 2003

2 Sector: Manufacturing  
Sub-Sector: Oil Refining  
Industry  
Classification:  
Type of  
Reservation: National Treatment (Article 2)  
Description: Permission of oil refining is not  
granted to foreign investor.  
Existing  
Measures: Law No. 8 of 2001 (Regulating  
Direct Foreign Capital Investment),  
Article 3  
Council of Ministers Resolution  
No. 1006/1 of 2003

3 Sector: Information Production and Distribution

Sub-Sector: Newspaper Publishers and Other Publishers

Industry Classification:

Type of Reservation: National Treatment (Article 2)

Description: Foreign investor may not issue and distribute newspapers and magazines, and may not conduct publishing business in the State of Kuwait. Foreign investor may not make investments in any Kuwaiti company which issues and distributes newspapers and magazines, and conducts publishing business.

Existing Measures: Law No. 8 of 2001 (Regulating Direct Foreign Capital Investment), Article 3

Council of Ministers Resolution No. 1006/1 of 2003



4 Sector: Acquisition and Possession of Land

Sub-Sector:

Industry  
Classification:

Type of  
Reservation: National Treatment (Article 2)

Description: Foreign nationals or legal persons  
may not acquire or possess land  
properties in the State of Kuwait.

Existing  
Measures: Law No. 8 of 2001 (Regulating  
Direct Foreign Capital Investment),  
Article 3

Council of Ministers Resolution  
No. 1006/1 of 2003

5 Sector: Real Estate

Sub-Sector: Real Estate Agencies

Industry  
Classification:

Type of  
Reservation: National Treatment (Article 2)

Description: Foreign investor may not hold the majority of share of any Kuwaiti company which transacts real estate.

Existing  
Measures: Law No. 8 of 2001 (Regulating Direct Foreign Capital Investment), Article 3

Council of Ministers Resolution  
No. 1006/1 of 2003