

Annex 6 referred to in Chapters 7 and 8  
Reservations for Existing Measures

1. The Schedule of a Party sets out, pursuant to paragraph 1 of Articles 66 and 101, the reservations taken by that Party with respect to existing measures that do not conform with obligations imposed by:

- (a) Article 58 or 98 (National Treatment);
- (b) Article 59 or 99 (Most-Favored-Nation Treatment);
- (c) Article 64 (Senior Management and Boards of Directors);
- (d) Article 65 (Performance Requirements); or
- (e) Article 100 (Local Presence);

and, in certain cases, sets out commitments for immediate or future liberalization.

2. Each reservation sets out the following elements:

- (a) "Sector" refers to the general sector in which a reservation is taken;
- (b) "Sub-Sector" refers to the specific sector in which a reservation is taken;
- (c) "Industry Classification" refers, where applicable, to the activity covered by the reservation according to domestic industry classification codes;
- (d) "Type of Reservation" specifies the obligation referred to in paragraph 1 above for which a reservation is taken;
- (e) "Level of Government" indicates the level of government maintaining the measure for which a reservation is taken;
- (f) "Measures" identifies the existing laws, regulations or other measures, as qualified, where indicated, by the Description element, for which the reservation is taken. A measure cited in the Measures element:
  - (i) means the measure as amended, continued or renewed as of the date of entry into force of this Agreement, and

- (ii) includes any subordinate measure adopted or maintained under the authority of and consistent with the measure;
- (g) "Description" sets out commitments, if any, for liberalization on the date of entry into force of this Agreement and, with regard to the obligations referred to in paragraph 1 above, the remaining non-conforming aspects of the existing measures for which the reservation is taken; and
- (h) "Phase-Out" sets out commitments, if any, for liberalization after the date of entry into force of this Agreement.

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 the Chapters against which the reservation is taken. To the extent that:

- (a) the Phase-Out element provides for the phasing out of non-conforming aspects of measures, the Phase-Out element shall prevail over all other elements;
- (b) the Measures element is qualified by a liberalization commitment from the Description element, the Measures element as so qualified shall prevail over all other elements; and
- (c) the Measures element is not so qualified, the Measures element shall prevail over all other elements, unless any discrepancy between the Measures element and the other elements considered in their totality is so substantial and material that it would be unreasonable to conclude that the Measures element should prevail, in which case the other elements shall prevail to the extent of that discrepancy.

4. Where a Party maintains a measure that requires that a service supplier be a national, permanent resident or resident of that Party as a condition to the supply of a service in its Area, a reservation for that measure taken with respect to Article 98, 99 or 100 shall operate as a reservation with respect to Article 58, 59 or 65 to the extent of that measure.

5. For the purposes of determining the percentage of foreign investment in the economic activities subject to maximum percentages of foreign equity participation as set out in the Schedule of Mexico, the foreign investment indirectly carried out in such activities through Mexican enterprises holding majority of Mexican capital will not be taken into account, provided that such enterprises are not controlled by the foreign investment.

6. The prior notification requirement under the Foreign Exchange and Foreign Trade Law (Law No. 228, 1949) as set out in the Schedule of Japan means the requirement that an investor of Mexico or an enterprise of Japan which the investor of Mexico owns or controls submits a notification concerning the intended investment to the Minister of Finance and the Minister in charge of the industry concerned. If the Ministers consider that the investment concerned could adversely affect national security, public order or public safety, or sound management of national economy, they may make recommendation or order to change the planning of the investment or to cancel the investment.

7. For the purposes of this Annex:

the term "CMAP" means Mexican Classification of Activities and Products (Clasificación Mexicana de Actividades y Productos) numbers as set out in National Institute for Statistics, Geography and Informatics (Instituto Nacional de Estadística, Geografía e Informática), Mexican Classification of Activities and Products (Clasificación Mexicana de Actividades y Productos), 1994;

the term "concession" means an authorization provided by the Mexican State to a person to exploit a natural resource or provide a service, for which Mexican nationals and Mexican enterprises are granted priority over foreigners;

the term "foreigners' exclusion clause" means the express provision in an enterprise's by-laws, stating that the enterprise shall not allow foreigners, directly or indirectly, to become partners or shareholders of the enterprise; and

the term "JSIC" means Japan Standard Industrial Classification numbers as set out in the Statistics Bureau, Ministry of Internal Affairs and Communications, Japan Standard Industrial Classification, revised March 7, 2002.

Schedule of Japan

1	Sector:	Automobile Maintenance Business
	Sub-Sector:	Motor Vehicle Disassembling Repair Business
	Industry Classification:	JSIC 86            Automobile maintenance services
	Type of Reservation:	Local Presence (Article 100)
	Level of Government:	Central Government
	Measures:	Road Vehicle Law (Law No. 185 of 1951), Chapter 6
	Description:	Cross-Border Services  A person who intends to conduct motor vehicle disassembling repair businesses is required to establish a workplace in Japan, and to obtain an approval of the Director-General of the District Transport Bureau having jurisdiction over the district where the workplace is located.
	Phase-Out:	None

2 Sector: Business Services

Sub-Sector:

Industry Classification: JSIC 9051 Private employment services

JSIC 9095 Worker dispatching services

Type of Reservation: Local Presence (Article 100)

Level of Government: Central Government

Measures: Employment Security Law (Law No. 141 of 1947), Chapter 3

Law Concerning Securing the Proper Operation of Worker Dispatching Undertakings and Improved Working Conditions for Dispatched Workers (Law No. 88 of 1985), Chapter 2

Port Labour Law (Law No. 40 of 1988), Chapter 4

Mariner's Employment Security Law (Law No. 130 of 1948), Chapter 3

Description: Cross-Border Services

A person who intends to supply private job placement services or worker dispatching services including stevedore dispatching services and mariner dispatching services for enterprises in Japan is required to have an establishment in Japan, and to obtain a permission from, or to submit notification to the competent authority, as applicable.

Phase-Out: None

3 Sector: Construction

Sub-Sector:

Industry Classification: JSIC 06 Construction work, general, including public and private construction work

JSIC 07 Construction work by specialist contractor, except equipment installation work

JSIC 08 Equipment installation work

Type of Reservation: Local Presence (Article 100)

Level of Government: Central Government

Measures: Construction Business Law (Law No. 100 of 1949), Chapter 2

Law Concerning Recycling of Construction Materials (Law No. 104 of 2000), Chapter 5

Description: Cross-Border Services

1. A person who intends to conduct construction businesses is required to establish a place of businesses in Japan, and to obtain permission from the Minister of Land, Infrastructure and Transport or from the prefectural governor having jurisdiction over the district where the place of business is located.

2. A person who intends to conduct demolition work businesses is required to establish a place of business in Japan, and to register with the prefectural governor having jurisdiction over the district where the place of business is located.

Phase-Out: None

4 Sector: Heat Supply

Sub-Sector:

Industry Classification: JSIC 3511 Heat supply

Type of Reservation: National Treatment (Article 58)

Level of Government: Central Government

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

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

Description: Investment

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

Phase-Out: None

5 Sector: Information and Communication

Sub-Sector: Telecommunications

Industry Classification:

Type of Reservation: National Treatment (Article 58)  
Senior Management and Boards of Directors (Article 64)

Level of Government: Central Government

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

Description: Investment

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 item (a) through (c) below reaches or exceeds one third:

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

(b) a foreign government or its representative; or

(c) a foreign juridical person or association.

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.

Phase-Out: None

6 Sector: Information and Communications

Sub-Sector: Telecommunications and Internet Based Services

Industry Classification: JSIC 3721\* Regional telecommunications, except wired broadcast telephones

JSIC 3722\* Long-distance telecommunications

JSIC 3729\* Miscellaneous fixed telecommunications

JSIC 3731\* Mobile telecommunications

JSIC 4011\* Internet based services

(An asterisk (\*) on the JSIC number indicates that the activities covered by the reservation under such number are limited to the activities which are subject to the registration obligation under Article 9 of the Telecommunications Business Law.)

Type of Reservation: National Treatment (Article 58)

Level of Government: Central Government

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

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

Description: Investment

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

Phase-Out: None

7 Sector: Manufacturing

Sub-Sector: Drugs and Medicines Manufacturing

Industry Classification: JSIC 1763 Biological preparations

Type of Reservation: National Treatment (Article 58)

Level of Government: Central Government

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

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

Description: Investment

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

Phase-Out: None

8 Sector: Manufacturing

Sub-Sector: Leather and Leather Products  
Manufacturing

Industry Classification: JSIC 1257 Fur apparel and apparel accessories

JSIC 1259\* Textile apparel and accessories, n.e.c.

JSIC 1794\*\* Gelatine and adhesives

JSIC 202 Rubber and plastic footwear and its findings

JSIC 21 Manufacture of leather tanning, leather products and fur skins

JSIC 3234\* Sporting and athletic goods

(An asterisk (\*) on the JSIC number indicates that the activities covered by the reservation under such number are limited to the activities related to leather and leather products manufacturing.)

(Two asterisks (\*\*) on the JSIC number indicate that the activities covered by the reservation under such number are limited to the activities related to animal glue (nikawa) and gelatine manufacturing.)

Type of Reservation: National Treatment (Article 58)

Level of Government: Central Government

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

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

Description: Investment

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

Phase-Out: None

9 Sector: Matters Related to the Nationality of a Ship

Sub-Sector:

Industry Classification:

Type of Reservation: National Treatment (Article 58)  
Senior Management and Boards of Directors (Article 64)

Level of Government: Central Government

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

Description: Investment

The Japanese nationality shall be given to a ship whose owner is a natural person with Japanese nationality, or a legal person established under Japanese law, with all representatives and not less than two-thirds of executives administering the affairs of the legal person having Japanese nationality.

Phase-Out: None

10 Sector: Measuring Services

Sub-Sector:

Industry Classification: JSIC 902 Commodity inspection service

JSIC 903 Surveyor certification

Type of Reservation: Local Presence (Article 100)

Level of Government: Central Government

Measures: Measurement Law (Law No. 51 of 1992), Chapters 3, 5, 6 and 8

Regulations on Measurement Law (Ministerial Ordinance of Ministry of International Trade and Industry No. 69 of 1993)

Ministerial Ordinance for Designated Inspection Body, Designated Verification Body, Designated Measurement Certification Inspection Body, and Specified Measurement Certification Accreditation Body (Ministerial Ordinance of Ministry of Economy, Trade and Industry No. 72 of 1993)

Description: Cross-Border Services

1. A person who intends to supply services of conducting the periodic inspection of specified measuring instruments is required to establish a legal person in Japan, and to be designated by the prefectural governor having jurisdiction over the district where the person intends to conduct such inspection, or by the mayor of the designated city or the chief of the designated ward or village in case the place where the person intends to conduct such inspection is located within the district of such designated city, ward or village.

2. A person who intends to supply services of conducting the verification of specified measuring instruments is required to establish a legal person in Japan, and to be designated by the Minister of Economy, Trade and Industry.

3. A person who intends to conduct measurement certification business, including specified measurement certification business is required to establish a workplace in Japan, and to be registered with the prefectural governor having jurisdiction over the district where the workplace is located.

4. A person who intends to supply services of conducting inspection of specified measuring instruments used for the measurement certification is required to establish a legal person in Japan, and to be designated by the prefectural governor having jurisdiction over the district where the person intends to conduct such inspection.

5. A person who intends to supply services of conducting the accreditation for a person engaged in specified measurement certification business is required to establish a legal person in Japan, and to be designated by the Minister of Economy, Trade and Industry.

6. A person who intends to supply services of conducting calibration of the measuring instruments and other services is required to establish a legal person in Japan, and to be designated by the Minister of Economy, Trade and Industry.

Phase-Out: None

11 Sector: Medical, Health Care and Welfare

Sub-Sector:

Industry Classification: JSIC 7599 Miscellaneous social insurance, social welfare and care services

Type of Reservation: Local Presence (Article 100)

Level of Government: Central Government

Measures: Law Concerning Collection of Labour Insurance Premium (Law No. 84 of 1969), Chapter 4

Enforcement Regulations for the Law Concerning Collection of Labour Insurance Premium (Ministerial Ordinance of Ministry of Labour No. 8 of 1972)

Description: Cross-Border Services

Only an association of business proprietors or a federation of such associations approved by the Minister of Health, Labour and Welfare under the laws and regulations of Japan may conduct labor insurance businesses entrusted by business proprietors. An association which intends to conduct such labor insurance businesses under the laws and regulations of Japan is required to establish an office in Japan, and to obtain the approval of the Minister of Health, Labour and Welfare.

Phase-Out: None

12	Sector:	Mining
	Sub-Sector:	
	Industry Classification:	JSIC 05 Mining
	Type of Reservation:	National Treatment (Articles 58 and 98) Local Presence (Article 100)
	Level of Government:	Central Government
	Measures:	Mining Law (Law No. 289 of 1950), Chapters 2 and 3
	Description:	Investment and Cross-Border Services  Only a Japanese national or a Japanese legal person may have mining rights or mining lease rights.
	Phase-Out:	None

13 Sector: Oil Industry

Sub-Sector:

Industry Classification:	JSIC 053	Crude petroleum and natural gas production
	JSIC 181	Petroleum refining
	JSIC 182	Lubricating oils and greases(not made in petroleum refineries)
	JSIC 1841*	Paving materials
	JSIC 1899*	Miscellaneous petroleum and coal products
	JSIC 4711*	Warehousing
	JSIC 4721*	Refrigerated warehousing
	JSIC 5231	Petroleum (wholesale trade)
	JSIC 6031	Petrol stations (gasoline service stations)
	JSIC 6032*	Fuel stores, except gasoline service stations
	JSIC 9099**	Miscellaneous business services, n.e.c.

(An asterisk (\*) on the JSIC number indicates that the activities covered by the reservation under such number are limited to the activities related to oil industry.)

(Two asterisks (\*\*) on the JSIC number indicates that the activities covered by the reservation under such number are limited to the activities related to liquefied petroleum gas industry.)

Type of Reservation: National Treatment (Article 58)

Level of Government: Central Government

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

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

Description: Investment

The prior notification requirement under the Foreign Exchange and Foreign Trade Law applies to foreign investors who intend to make investment 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 investment in the manufacture of these products.

Phase-Out: None

14 Sector: Primary Industry Related to  
Agriculture, Forestry and Fisheries  
(except those covered by Annex 7)

Sub-Sector:

Industry Classification: JSIC 01 Agriculture  
 JSIC 02 Forestry  
 JSIC 03 Fisheries  
 JSIC 04 Aquaculture  
 JSIC 6224 Agricultural cooperatives  
 JSIC 6225 Fishery and fishery processing cooperatives  
 JSIC 791 Agriculture, forestry and fisheries cooperative associations, n.e.c.

Type of Reservation: National Treatment (Article 58)

Level of Government: Central Government

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

Description: Investment  
 The prior notification requirement under the Foreign Exchange and Foreign Trade Law applies to foreign investors who intend to make investment in primary industry related to agriculture, forestry and fisheries in Japan.

Phase-Out: None

15 Sector: Professional Services

Sub-Sector:

Industry Classification: JSIC 8011 Lawyers' offices

Type of Reservation: Local Presence (Article 100)

Level of Government: Central Government

Measures: Lawyers Law (Law No. 205 of 1949), Chapters 3, 4, 4-2 and 5

Description: Cross-Border Services

A person who intends to supply legal services is required to be qualified as attorney at law under the laws and regulations of Japan ("Bengoshi"), and to establish an office within the district of the local bar association which the person belongs to.

An enterprise which intends to supply legal services is required to establish a law firm under the laws and regulations of Japan ("Bengoshi-Hojin").

Phase-Out: None

16 Sector: Professional Services

Sub-Sector:

Industry Classification: JSIC 8011 Lawyers' office

Type of Reservation: Local Presence (Article 100)

Level of Government: Central Government

Measures: Law on Special Measures Concerning the Handling of the Legal Business by Foreign Legal Consultant (Law No. 66 of 1986), Chapter 4

Description: Cross-Border Services

A person who intends to supply foreign legal consultant services is required to be qualified as foreign legal consultant under the laws and regulations of Japan ("Gaikokuho-Jimu-Bengoshi"), and to establish an office within the district of the local bar association which the person belongs to.

A foreign legal consultant under the laws and regulations of Japan is required to stay in Japan for not less than 180 days per year.

Phase-Out: None

17 Sector: Professional Services

Sub-Sector:

Industry Classification: JSIC 8012 Patent attorneys' offices

Type of Reservation: Local Presence (Article 100)

Level of Government: Central Government

Measures: Patent Attorney Law (Law No. 49 of 2000), Chapters 6 and 8

Description: Cross-Border Services

An enterprise which intends to supply patent attorney services is required to establish a patent business corporation under the laws and regulations of Japan ("Tokkyo-Gyoumu-Hojin").

Phase-Out: None

18	Sector:	Professional Services
	Sub-Sector:	
	Industry Classification:	JSIC 8021 Notaries public's and judicial scriveners' offices
	Type of Reservation:	National Treatment (Article 98) Local Presence (Article 100)
	Level of Government:	Central Government
	Measures:	Notary Law (Law No. 53 of 1908), Chapters 2 and 3
	Description:	Cross-Border Services  Only a Japanese national may be appointed as a notary in Japan.  The notary is required to establish an office in the place designated by the Minister of Justice.
	Phase-Out:	None

19 Sector: Professional Services

Sub-Sector:

Industry Classification: JSIC 8021 Notaries public's and judicial scriveners' offices

Type of Reservation: Local Presence (Article 100)

Level of Government: Central Government

Measures: Judicial Scrivener Law (Law No. 197 of 1950), Chapters 3, 4, 5 and 7

Description: Cross-Border Services

A person who intends to supply judicial scrivener services is required to be qualified as judicial scrivener under the laws and regulations of Japan ("Shiho-Shoshi"), and to establish an office within the district of the judicial scrivener association which the person belongs to.

An enterprise which intends to supply judicial scrivener services in Japan is required to establish a judicial scrivener corporation under the laws and regulations of Japan ("Shiho-Shoshi-Hojin").

Phase-Out: None

20 Sector: Professional Services

Sub-Sector:

Industry Classification: JSIC 8031 Certified public accountants' offices

Type of Reservation: Local Presence (Article 100)

Level of Government: Central Government

Measures: Certified Public Accountant Law (Law No. 103 of 1948), Chapters 5-2 and 7

Description: Cross-Border Services

An enterprise which intends to supply auditing services is required to establish an audit corporation under the laws and regulations of Japan ("Kansa-Hojin").

Phase-Out: None

21 Sector: Professional Services

Sub-Sector:

Industry Classification: JSIC 8032 Auditors' Offices

Type of Reservation: Local Presence (Article 100)

Level of Government: Central Government

Measures: Certified Public Tax Accountant Law (Law No. 237 of 1951), Chapters 3, 4, 5-2, 6 and 7

Enforcement Regulation on Certified Public Tax Accountant Law (Ministerial Ordinance of Ministry of Finance No. 55 of 1951)

Description: Cross-Border Services

A person who intends to supply certified public tax accountant services is required to be qualified as certified public tax accountant under the laws and regulations of Japan ("Zeirishi"), and to establish an office within the district of certified public tax accountant association which the person belongs to.

An enterprise which intends to supply certified public tax accountant services is required to establish a certified public tax accountant corporation under the laws and regulations of Japan ("Zeirishi-Hojin").

Phase-Out: None

22 Sector: Professional Services

Sub-Sector:

Industry Classification: JSIC 8051 Architectural design services

JSIC 8097 Certified real estate appraisers

JSIC 8098 Administrative scriveners' offices

JSIC 8099 Professional services n.e.c.

Type of Reservation: Local Presence (Article 100)

Level of Government: Central Government

Measures: Architect and/or Building Engineer Law (Law No. 202 of 1950), Chapter 5

Description: Cross-Border Services

An architect and/or building engineer, qualified as such under the laws and regulations of Japan ("Kenchikushi"), or a person employing such an architect and/or building engineer, who intends to conduct businesses of design, superintendence of construction work, administrative work related to construction work contracts, supervision of building construction work, survey and evaluation of buildings, and representation in procedure under the laws and regulations concerning construction, upon request from others for remuneration, is required to establish an office in Japan.

Phase-Out: None

23 Sector: Professional Services

Sub-Sector:

Industry Classification: JSIC 8092 Certified social insurance and labour consultants' offices

Type of Reservation: Local Presence (Article 100)

Level of Government: Central Government

Measures: Certified Social Insurance and Labour Consultant Law (Law No. 89 of 1968), Chapters 2-2, 4-2 and 4-3

Description: Cross-Border Services

A person who intends to supply social insurance and labor consultant services is required to be qualified as a certified social insurance and labor consultant under the laws and regulations of Japan ("Shakai-Hoken-Romushi"), and to establish an office in Japan.

An enterprise which intends to supply social insurance and labor consultant services is required to establish a certified social insurance and labor consultant corporation under the laws and regulations of Japan ("Shakai-Hoken-Romushi-Hojin").

Phase-Out: None

24 Sector: Professional Services

Sub-Sector:

Industry Classification: JSIC 8098 Administrative scriveners' office

Type of Reservation: Local Presence (Article 100)

Level of Government: Central Government

Measures: Administrative Scrivener Law (Law No. 4 of 1951), Articles 6, 6-2, 8 and 19

Description: Cross-Border Services

A person who intends to supply administrative scrivener services is required to be qualified as administrative scrivener under the laws and regulations of Japan ("Gyousei-Shoshi"), and to establish an office within the district of the administrative scrivener association which the person belongs to.

Phase-Out: None

25 Sector: Professional Services

Sub-Sector:

Industry Classification: JSIC 8099 Professional services, n.e.c.

Type of Reservation: Local Presence (Article 100)

Level of Government: Central Government

Measures: Land and House Surveyor Law (Law No. 228 of 1950), Chapters 3, 4, 5 and 7

Description: Cross-Border Services

A person who intends to supply land and house surveyor services is required to be qualified as land and house surveyor under the laws and regulations of Japan ("Tochi-Kaoku-Chosashi"), and to establish an office within the district of the land and house surveyor association which the person belongs to.

An enterprise which intends to supply land and house surveyor services is required to establish a land and house surveyor corporation under the laws and regulations of Japan ("Tochi-Kaoku-Chosashi-Hojin").

Phase-Out: None

26 Sector: Real Estate

Sub-Sector:

Industry Classification: JSIC 6811 Sales agents of buildings and houses

JSIC 6812 Land subdividers and developers

JSIC 6821 Real estate agents and brokers

JSIC 6941 Real estate managers

Type of Reservation: Local Presence (Article 100)

Level of Government: Central Government

Measures: Building Lots and Buildings Transaction Business Law (Law No. 176 of 1952), Chapter 2

Real Estate Syndication Law (Law No. 77 of 1994), Chapter 2

Law Concerning Improving Management of Condominiums (Law No. 149 of 2000), Chapter 3

Description: Cross-Border Services

1. A person who intends to conduct building lots and buildings transaction businesses is required to establish an office in Japan, and to obtain license from the Minister of Land, Infrastructure and Transport or from the prefectural governor having jurisdiction over the district where the office is located;

2. A person who intends to conduct real estate syndication businesses is required to establish an office in Japan, and to obtain permission from the competent Minister or from the prefectural governor having jurisdiction over the district where the office is located; and

3. A person who intends to conduct condominiums management businesses is required to establish an office in Japan, and to be registered in the list maintained by the Ministry of Land, Infrastructure and Transport.

Phase-Out: None

27 Sector: Real Estate Appraisal Services

Sub-Sector:

Industry Classification: JSIC 8097 Certified real estate appraisers

Type of Reservation: Local Presence (Article 100)

Level of Government: Central Government

Measures: Law Concerning the Appraisal of Real Estate (Law No. 152 of 1963), Chapter 3

Description: Cross-Border Services

A person who intends to supply real estate appraisal services is required to establish an office in Japan, and to be registered in the list maintained by the Ministry of Land, Infrastructure and Transport or the prefecture having jurisdiction over the district where the office is located.

Phase-Out: None

28 Sector: Seafarers

Sub-Sector:

Industry Classification: JSIC 031 Marine fisheries  
 JSIC 451 Oceangoing transport  
 JSIC 452 Coastwise transport

Type of Reservation: National Treatment (Article 98)

Level of Government: Central Government

Measures: Mariners Law (Law No. 100 of 1947), Chapter 4  
 The 9th Basic Plan for Employment Measures (Cabinet Decision, August 13, 1999)  
 Official Notification of the Director General of Seafarers Department, Maritime Technology and Safety Bureau of the Ministry of Transport, No. 115, 1990  
 Official Notification of the Director General of Seafarers Department, Maritime Technology and Safety Bureau of the Ministry of Transport, No. 327, 1990  
 Official Notification of the Director General of Maritime, Bureau of the Ministry of Land, Infrastructure and Transport, No. 153, 2004

Description: Cross-Border Services  
 Foreign nationals employed by Japanese enterprises except for the seafarers referred to in the relevant official notification may not work on the vessels flying the Japanese flag.

Phase-Out: None

29 Sector: Security Guard Services

Sub-Sector:

Industry Classification: JSIC 9061 Guard services

Type of Reservation: National Treatment (Article 58)  
Local Presence (Article 100)

Level of Government: Central Government

Measures: Foreign Exchange and Foreign Trade Law (Law No. 228 of 1949), Article 27  
Cabinet Order on Foreign Direct Investment (Cabinet Order No. 261 of 1980), Article 3  
Security Business Law (Law No. 117 of 1972), Chapter 2

Description: Investment and Cross-Border Services

1. The prior notification requirement under the Foreign Exchange and Foreign Trade Law applies to foreign investors who intend to make investment in security guard services in Japan.
2. A person who intends to conduct security guard services is required to establish a place of business in Japan, and to obtain an approval from the Prefectural Public Safety Commission having jurisdiction over the district where the place of business is located.

Phase-Out: None

30 Sector: Services Related to Occupational Safety and Health

Sub-Sector:

Industry Classification: JSIC 7722 Vocational guidance centers

JSIC 8099 Professional services, n.e.c.

JSIC 9021 Commodity inspection services

JSIC 9032 Environmental surveying certification

Type of Reservation: Local Presence (Article 100)

Level of Government: Central Government

Measures: Industrial Safety and Health Law (Law No. 57 of 1972), Chapters 5 and 8

Regulation Concerning Registered Inspection Agency and Other Related Agencies (Ministerial Ordinance of Ministry of Labour No. 44 of 1972)

Working Environment Measurement Law (Law No. 28 of 1975), Chapters 2 and 3

Enforcement Regulation of the Working Environment Measurement Law (Ministerial Ordinance of Ministry of Labour No. 20 of 1975)

Description: Cross-Border Services

A person who intends to supply inspection or verification services for working machines, skill training course and other related services in connection with occupational safety and health, or working environment measurement services is required to be resident or to establish an office in Japan, and to register with the Minister of Health, Labour and Welfare or Director-General of the Prefectural Labour Bureau.

Phase-Out: None

31 Sector: Survey Services

Sub-Sector:

Industry Classification: JSIC 8052 Surveying services

Type of Reservation: Local Presence (Article 100)

Level of Government: Central Government

Measures: Survey Law (Law No. 188 of 1949), Chapter 6

Description: Cross-Border Services

A person who intends to supply surveying services is required to establish a place of business in Japan, and to register with the Minister of Land, Infrastructure and Transport.

Phase-Out: None

32 Sector: Transport

Sub-Sector: Air Transport

Industry Classification: JSIC 4611 Air transport

Type of Reservation: National Treatment (Article 58)  
Most-Favored-Nation Treatment (Article 59)  
Senior Management and Boards of Directors (Article 64)

Level of Government: Central Government

Measures: Foreign Exchange and Foreign Trade Law (Law No. 228 of 1949), Article 27  
Cabinet Order on Foreign Direct Investment (Cabinet Order No. 261 of 1980), Article 3  
Civil Aeronautics Law (Law No. 231 of 1952), Chapters 7 and 8

Description: Investment

1. The prior notification requirement under the Foreign Exchange and Foreign Trade Law applies to foreign investors who intend to make investment in air transport business in Japan.
2. A permission of the Minister of Land, Infrastructure and Transport for conducting air transport businesses as a Japanese air carrier is not granted to the following natural person or entity applying for the permission:
  - (a) a natural person who does not have Japanese nationality;
  - (b) a foreign state, or public entity or its equivalent thereof;

- (c) an enterprise or other entity constituted or organized under the laws of any foreign state;
- (d) an enterprise represented by the natural person or entity referred to in subparagraph (a), (b) or (c) above; an enterprise of which more than one-third of the members of the board of directors is composed of the natural person or entity referred to in subparagraph (a), (b) or (c) above; or an enterprise of which more than one-third of voting rights is held by the natural person or entity referred to in subparagraph (a), (b) or (c) above.

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

3. Japanese air carriers and the enterprises having effective control over the air carriers, such as holding companies, can reject the request from a natural person or an entity set forth in subparagraphs 2(a) through 2(c) above, who owns equity investment in such air carriers or enterprises, to enter their names and addresses in the register of shareholders, in the event such air carriers and enterprises become the natural person or entity referred to in subparagraph 2(d) by accepting such request.

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

5. Permission of the Minister of Land, Infrastructure and Transport 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 and for transporting passengers or cargoes for remuneration, between points within Japan.

Phase-Out: None

33 Sector: Transport

Sub-Sector: Air Transport

Industry Classification: JSIC 4621 Aircraft service, except air transport

Type of Reservation: National Treatment (Articles 58 and 98)

Senior Management and Boards of Directors (Article 64)

Level of Government: Central Government

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

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

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

Description: Investment and Cross-Border Services

1. The prior notification requirement under the Foreign Exchange and Foreign Trade Law applies to foreign investors who intend to make investment in aerial work business in Japan.
2. A permission of the Minister of Land, Infrastructure and Transport for conducting aerial work businesses is not granted to the following natural person or entity applying for the permission:
  - (a) a natural person who does not have Japanese nationality;
  - (b) a foreign state, or public entity or its equivalent thereof;

- (c) an enterprise or other entity constituted or organized under the laws of any foreign state;
- (d) an enterprise represented by the natural person or entity referred to in subparagraph (a), (b) or (c) above; an enterprise of which more than one-third of the members of the board of directors is composed of the natural person or entity referred to in subparagraph (a), (b) or (c) above; or an enterprise of which more than one-third of voting rights is held by the natural person or entity referred to in subparagraph (a), (b) or (c) above.

In the event a person conducting an aerial work businesses becomes the natural person or entity referred to in subparagraphs (a) through (d) above, the permission will lose effect. The conditions for the permission also apply to enterprises, such as holding companies, which have effective control over the person conducting aerial work businesses.

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

Phase-Out: None

34 Sector: Transport

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

Industry Classification:

Type of Reservation: National Treatment (Article 58)  
Senior Management and Boards of Directors (Article 64)

Level of Government: Central Government

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

Description: Investment

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

- (a) a natural person who does not have Japanese nationality;
- (b) a foreign state, or public entity or its equivalent thereof;
- (c) an enterprise or association constituted or organized under the laws of any foreign state;
- (d) an enterprise represented by the natural person or entity referred to in subparagraph (a), (b) or (c) above; an enterprise of which more than one-third of the members of the board of directors is composed of the natural person or entity referred to in subparagraph (a), (b) or (c) above; or an enterprise of which more than one-third of voting shares is held by the natural person or entity referred to in subparagraph (a), (b) or (c) above.

2. An aircraft which has the nationality of a country other than Japan may not be registered in the national register.

Phase-Out: None

35 Sector: Transport

Sub-Sector: Customs Brokerage

Industry Classification: JSIC 4899 Miscellaneous services incidental to transport

Type of Reservation: Local Presence (Article 100)

Level of Government: Central Government

Measures: Customs Brokerage Law (Law No. 122 of 1967), Chapter 2

Description: Cross-Border Services

A person who intends to conduct customs brokerage businesses is required to have a place of business in Japan, and to obtain permission of the Director-General of Customs having jurisdiction over the district where the person intends to conduct customs brokerage businesses.

Phase-Out: None

36 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  
(Articles 58 and 98)

Most-Favored-Nation Treatment  
(Articles 59 and 99)

Senior Management and Boards of  
Directors (Article 64)

Local Presence (Article 100)

Level of Government: Central Government

Measures: Freight Forwarding Business Law (Law  
No. 82 of 1989), Chapters 2, 3 and 4

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

Description: Investment and Cross-Border Services

1. The following natural person or  
entity is required to register with,  
or to obtain permission or approval  
of the Minister of Land,  
Infrastructure and Transport for  
conducting freight forwarding  
businesses using international  
shipping. Such registration shall be  
permitted, or such permission or  
approval shall be granted, on the  
basis of mutual reciprocity, to:

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

- (b) a foreign state, or public entity or its equivalent thereof;
- (c) an enterprise or association constituted or organized under the laws of any foreign state;
- (d) any enterprise represented by the natural person or entity referred to in subparagraph (a), (b) or (c) above; an enterprise of which more than one-third of the members of the board of directors is composed of the natural person or entity referred to in subparagraph (a), (b) or (c) above; or an enterprise of which more than one-third of voting shares is held by the natural person or entity referred to in subparagraph (a), (b) or (c) above.

2. A person who intends to conduct freight forwarding businesses in Japan is required to establish an office in Japan, and to register with, or to obtain permission or approval of the Minister of Land, Infrastructure and Transport.

Phase-Out: None

37 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 58)

Most-Favored-Nation Treatment (Article 59)

Senior Management and Boards of Directors (Article 64)

Level of Government: Central Government

Measures: Freight Forwarding Business Law (Law No. 82 of 1989), Chapters 2, 3 and 4

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

Description: Investment

1. The following natural person or entity may not conduct freight forwarding businesses using air transportation between any points in Japan:

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

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

- (c) an enterprise or association constituted or organized under the laws of any foreign state;
- (d) any enterprise represented by the natural person or entity referred to in subparagraph (a), (b) or (c) above; an enterprise of which more than one-third of the members of the board of directors is composed of the natural person or entity referred to in subparagraph (a), (b) or (c) above; or an enterprise of which more than one-third of voting shares is held by the natural person or entity referred to in subparagraph (a), (b) or (c) above.

2. The natural person or entity referred to in subparagraphs 1(a) through 1(d) above is required to register with, or to obtain permission or approval of the Minister of Land, Infrastructure and Transport for conducting freight forwarding businesses using international air transportation. Such registration shall be permitted, or such permission or approval shall be granted, on the basis of mutual reciprocity.

Phase-Out: None

38 Sector: Transport

Sub-Sector: Railway Transport

Industry Classification: JSIC 42 Railway transport  
 JSIC 4851 Railway facilities services

Type of Reservation: National Treatment (Article 58)

Level of Government: Central Government

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

Description: Investment

The prior notification requirement under the Foreign Exchange and Foreign Trade Law applies to foreign investors who intend to make investment 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 investment in the manufacture of these products.

Phase-Out: None

39 Sector: Transport

Sub-Sector: Road Passenger Transport

Industry Classification: JSIC 4311 Common omnibus operators

Type of Reservation: National Treatment (Article 58)

Level of Government: Central Government

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

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

Description: Investment

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

Phase-Out: None

40 Sector: Transport

Sub-Sector: Road Transport

Industry Classification: JSIC 43 Road passenger transport  
 JSIC 44 Road freight transport

Type of Reservation: Local Presence (Article 100)

Level of Government: Central Government

Measures: Road Transport Law (Law No. 183 of 1951), Chapter 2  
 Trucking Business Law (Law No. 83 of 1989), Chapter 2

Description: Cross-Border Services

A person who intends to conduct passenger motor transport businesses or trucking businesses is required to establish a place of business in Japan, and to obtain permission of the Minister of Land, Infrastructure and Transport.

Phase-Out: None

41	Sector:	Transport
	Sub-Sector:	Services Incidental to Transport
	Industry Classification:	
	Type of Reservation:	National Treatment (Article 98) Local Presence (Article 100)
	Level of Government:	Central Government
	Measures:	Pilotage Law (Law No. 121 of 1949), Chapters 2 and 3
	Description:	Cross-Border Services  Only a Japanese national may become a pilot in Japan.  Pilots directing ships in the same pilotage district are required to establish a pilot association for the pilotage district.
	Phase-Out:	None

42 Sector: Transport

Sub-Sector: Water Transport

Industry Classification: JSIC 451 Oceangoing transport

Type of Reservation: National Treatment (Article 98)  
Most-Favored-Nation Treatment (Article 99)

Level of Government: Central Government

Measures: Law Concerning Special Measures against Unfavorable Treatment to Japanese Oceangoing Ship Operators by Foreign Government (Law No. 60 of 1977)

Description: Cross-Border Services

The oceangoing ship operators of Mexico may be restricted or prohibited from entering Japanese ports or from loading and unloading of cargoes in Japan in cases where Japanese oceangoing ship operators are prejudiced by Mexico.

Phase-Out: None

43 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 58)

Level of Government: Central Government

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

Description: Investment

The prior notification requirement under the Foreign Exchange and Foreign Trade Law applies to foreign investors who intend to make investment 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 in 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 prior notification requirements.

Phase-Out: None

44 Sector: Transport

Sub-Sector: Water Transport

Industry  
Classification:

Type of  
Reservation: National Treatment (Articles 58 and  
98)

Most-Favored-Nation Treatment  
(Articles 59 and 99)

Level of  
Government: Central Government

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

Description: Investment and Cross-Border Services

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

Phase-Out: None

45 Sector: Vocational Skills Test

Sub-Sector:

Industry  
Classification:

Type of  
Reservation: Local Presence (Article 100)

Level of  
Government: Central Government

Measures: Human Resources Development Promotion  
Law (Law No. 64 of 1969), Chapter 5

Description: Cross-Border Services

An enterprise which intends to carry out the vocational skills test for workers is required to establish an office in Japan, and to be designated by the Minister of Health, Labour and Welfare.

Phase-Out: None

46 Sector: Water Supply and Waterworks

Sub-Sector:

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

Type of Reservation: National Treatment (Article 58)

Level of Government: Central Government

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

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

Description: Investment

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

Phase-Out: None

47 Sector: Wholesale and Retail Trade

Sub-Sector: Livestock

Industry Classification: JSIC 5119 Miscellaneous agricultural, animal and poultry farm and aquatic products

Type of Reservation: Local Presence (Article 100)

Level of Government: Central Government

Measures: Livestock Dealer Law (Law No. 208 of 1949), Article 3

Description: Cross-Border Services

A person who intends to conduct livestock trading businesses is required to be resident in Japan, and to obtain a license from the prefectural governor having jurisdiction over the place of residence. For greater certainty, "livestock trading" means the trading or exchange of livestock, or the good offices for such trading or exchange.

Phase-Out: None

Schedule of Mexico

1 Sector: All sectors

Sub-Sector:

Industry  
Classification:

Type of  
Reservation: National Treatment (Article 58)

Level of  
Government: Federal

Measures: United Mexican States Political  
Constitution (Constitución Política  
de los Estados Unidos Mexicanos),  
Article 27

Foreign Investment Law (Ley de  
Inversión Extranjera), Title II,  
Chapters I and II

Regulations to the Foreign Investment  
Law and the National Registry for  
Foreign Investment (Reglamento de la  
Ley de Inversión Extranjera y del  
Registro Nacional de Inversiones  
Extranjeras), Title II, Chapters I  
and II

Description: Investment

Foreign nationals or foreign  
enterprises may not acquire property  
rights ("dominio directo") over land  
and water in a 100-kilometer strip  
along the country's borders or in a  
50-kilometer strip inland from its  
coasts (the "Restricted Zone").

Mexican enterprises without a  
foreigners' exclusion clause may  
acquire property rights ("dominio  
directo") over real estate located in  
the Restricted Zone, used for non-  
residential purposes. Notice of the  
acquisition must be given to the  
Ministry of Foreign Affairs  
(Secretaría de Relaciones Exteriores,  
SRE) within the sixty business days  
following the date of acquisition.

Mexican enterprises without a foreigners' exclusion clause may not acquire property rights ("dominio directo") over real estate located in the Restricted Zone, used for residential purposes.

Pursuant to the procedure described below, Mexican enterprises without a foreigners' exclusion clause may acquire rights for the use and enjoyment over real estate in the "Restricted Zone", used for residential purposes. Such a procedure shall also apply when foreign nationals or foreign enterprises seek to acquire rights for the use and enjoyment over real estate in the Restricted Zone regardless of the purpose for which the real estate is used.

A permit from the SRE is required for credit institutions to acquire, as trustees, rights to real estate located in the Restricted Zone, when the purpose of the trust is to allow the use and enjoyment of such real estate, without granting real property rights thereof, and the trust beneficiaries are the Mexican enterprises without a foreigners' exclusion clause, or the foreign nationals or foreign enterprises referred to above.

The terms "use" and "enjoyment" of the real estate located in the Restricted Zone mean the rights to use or enjoy such real estate, including, as applicable, obtaining fruits, products and, in general, any yield resulting from lucrative operation and exploitation through third parties or through the credit institutions acting as trustees.

The duration of the trust referred to in this reservation shall be for a maximum period of 50 years, which may be renewed on request by the interested party.

The SRE can verify at any time the compliance with the conditions under which the permits referred to in this reservation are granted, as well as the submission and veracity of the notices mentioned above.

The SRE shall resolve on the permits, considering the economic and social benefits that these operations could imply to the Nation.

Foreign nationals or foreign enterprises seeking to acquire real estate outside the Restricted Zone, shall previously submit to the SRE a statement agreeing to consider themselves Mexican nationals for the above mentioned purposes, and waiving to invoke the protection of their governments with respect to such real estate.

Phase-Out:           None

2 Sector: All sectors

Sub-Sector:

Industry  
Classification:

Type of  
Reservation: National Treatment (Article 58)

Level of  
Government: Federal

Measures: Foreign Investment Law (Ley de  
Inversión Extranjera), Title VI,  
Chapter III

Description: Investment

The National Commission on Foreign  
Investment (Comisión Nacional de  
Inversiones Extranjeras, CNIE), in  
order to evaluate applications  
submitted for its consideration  
(acquisitions or establishment of  
investments in restricted activities  
as set out in this Schedule), shall  
take into account the following  
criteria:

- (a) the effects on employment and  
training of workers;
- (b) the technological contribution;
- (c) the compliance with the  
environmental provisions  
contained in the environmental  
legislation; and
- (d) in general, the contribution to  
increase the competitiveness of  
the Mexican productive system.

When resolving an application, the  
CNIE may only impose performance  
requirements that do not distort  
international trade and that are not  
prohibited by Article 65.

Phase-Out: None

3 Sector: All sectors

Sub-Sector:

Industry  
Classification:

Type of  
Reservation: National Treatment (Article 58)

Level of  
Government: Federal

Measures: Foreign Investment Law (Ley de  
Inversión Extranjera), Title I,  
Chapter III

Description: Investment

Favorable resolution from the National Commission on Foreign Investment (Comisión Nacional de Inversiones Extranjeras, CNIE) is required for investors of the other Party or their investments to participate, directly or indirectly, in more than 49% of the ownership interest of a Mexican enterprise in an unrestricted sector, only when the total value of the assets of the Mexican enterprise exceeds the applicable threshold at the time the application for acquisition is submitted.

Upon entry into force of this Agreement, the applicable threshold for the review of an acquisition of a Mexican enterprise shall be the amount so determined by the CNIE. In any case, the threshold shall be no less than US\$150 million dollars.

Each year following the entry into force of this Agreement, the threshold will be adjusted according to the nominal growth rate of the Mexican Gross Domestic Product, as published by the National Institute for Statistics, Geography and Informatics (Instituto Nacional de Estadística, Geografía e Informática, INEGI).

Phase-Out:           None

4 Sector: All sectors

Sub-Sector:

Industry Classification:

Type of Reservation: National Treatment (Article 58)  
Senior Management and Boards of Directors (Article 64)

Level of Government: Federal

Measures: United Mexican States Political Constitution (Constitución Política de los Estados Unidos Mexicanos), Article 25

General Law of Cooperative Companies (Ley General de Sociedades Cooperativas), Title I, and Title II, Chapter II

Federal Labor Law (Ley Federal del Trabajo), Title I

Foreign Investment Law (Ley de Inversión Extranjera), Title I, Chapter III

Description: Investment

No more than 10 percent of the persons participating in a Mexican cooperative production enterprise may be foreign nationals.

Investors of the other Party or their investments may only own, directly or indirectly, up to 10 percent of the ownership interest in a Mexican cooperative production enterprise.

No foreign nationals may engage in general administrative functions or perform managerial activities in that enterprise.

A cooperative production enterprise is an enterprise whose members join their personal work, whether physical or intellectual, with the purpose of producing goods or services.

Phase-Out: None

5 Sector: All sectors

Sub-Sector:

Industry  
Classification:

Type of  
Reservation: National Treatment (Article 58)

Level of  
Government: Federal

Measures: Federal Law to Foster the  
Microindustry and Handicraft Activity  
(Ley Federal para el Fomento de la  
Microindustria y la Actividad  
Artesanal), Chapters I, II and III

Description: Investment

Only Mexican nationals may apply for  
a license ("cédula") to qualify as a  
microindustry enterprise.

Mexican microindustry enterprises may  
not have foreign persons as partners.

The Federal Law to Foster the  
Microindustry and Handicraft Activity  
(Ley Federal para el Fomento de la  
Microindustria y Actividad Artesanal)  
defines "microindustry enterprise" as  
the enterprise integrated by up to  
fifteen workers, that is engaged in  
the transformation of goods, and  
whose annual sales do not exceed the  
amount so determined by the Ministry  
of Economy (Secretaría de Economía,  
SE) from time to time.

Phase-Out: None

6 Sector: Agriculture, Livestock, Forestry, and Lumber Activities

Sub-Sector: Agriculture, Livestock or Forestry

Industry Classification: CMAP 1111 Agriculture  
 CMAP 1112 Farming of animals and hunting (limited to farming of animals)  
 CMAP 1200 Forestry and logging

Type of Reservation: National Treatment (Article 58)

Level of Government: Federal

Measures: United Mexican States Political Constitution (Constitución Política de los Estados Unidos Mexicanos), Article 27  
 Agrarian Law (Ley Agraria), Title VI  
 Foreign Investment Law (Ley de Inversión Extranjera), Title I, Chapter III

Description: Investment  
 Only Mexican nationals or Mexican enterprises may own land for agriculture, livestock or forestry purposes. Such enterprises must issue a special type of share ("T" shares) representing the value of that land at the time of its acquisition. Investors of the other Party or their investments may only own, directly or indirectly, up to 49 percent of "T" shares.

Phase-Out: None

7 Sector: Communications

Sub-Sector: Telecommunications Services and Public Networks (commercial agencies)

Industry Classification: CMAP 720006 Other Telecommunications Services (limited to commercial agencies)

Type of Reservation: National Treatment (Articles 58 and 98)

Most-Favored-Nation Treatment (Article 99)

Local Presence (Article 100)

Level of Government: Federal

Measures: United Mexican States Political Constitution (Constitución Política de los Estados Unidos Mexicanos), Article 28

Telecommunications Federal Law (Ley Federal de Telecomunicaciones), Chapter III, Section V, and Chapter IV, Section III

Regulations to the Public Telephony Services (Reglamento del Servicio de Telefonía Pública), Chapters I, II and IV

Rules of International Telecommunications (Reglas de Telecomunicaciones Internacionales), Rules 1, 2, 3, 4, 5 and 6

Description: Investment and Cross-Border Services

A permit issued by the Ministry of Communications and Transportation (Secretaría de Comunicaciones y Transportes, SCT) is required to provide telecommunications services as a commercial agency. Only Mexican nationals and enterprises established under Mexican laws may obtain such a permit.

A permit issued by the SCT is required to establish an enterprise engaged in the supply of telecommunications services as a commercial agency. Only Mexican nationals and enterprises established under Mexican laws may obtain such a permit.

The establishment and operation of commercial agencies are invariably subject to the relevant regulations in force. The SCT will not issue permits for the establishment of a commercial agency until the relevant regulations are issued.

Commercial agencies are those which, without owning or possessing transmission means, provide third parties with telecommunications services by using capacity from a telecommunications public network concessionaire.

Except where specifically approved by the SCT telecommunications public network concessionaires may not participate, directly or indirectly, in the capital of a telecommunications commercial agency.

International traffic shall be routed through an authorized international port of a concessionaire expressly authorized by the SCT.

Phase-Out: None

8 Sector: Communications

Sub-Sector: Telecommunication Services and Public Networks

Industry Classification: CMAP 720006 Other Telecommunications Services

Type of Reservation: National Treatment (Articles 58 and 98)

Most-Favored-Nation Treatment (Article 99)

Local Presence (Article 100)

Level of Government: Federal

Measures: United Mexican States Political Constitution (Constitución Política de los Estados Unidos Mexicanos), Article 32

Telecommunications Federal Law (Ley Federal de Telecomunicaciones), Chapter I, Chapter III, Sections I, II, III and IV, and Chapter V

Foreign Investment Law (Ley de Inversión Extranjera), Title I, Chapter III

Regulations to Satellite Communication (Reglamento de Comunicación Vía Satélite), Title II, Sections I, II and III, and Title III

Regulations to the Public Telephony Services (Reglamento del Servicio de Telefonía Pública), Chapters I, II and IV

Regulations to Restricted Television and Audio Services (Reglamento del Servicio de Televisión y Audio Restringidos), Chapters I and V

Rules of Long Distance Service (Reglas del Servicio de Larga Distancia), Chapters III, IV and VII

Rules of International  
Telecommunications (Reglas de  
Telecomunicaciones Internacionales),  
Rules 1, 2, 3, 4, 5 and 6

Description: Investment

Investors of the other Party or their  
investments may only participate,  
directly or indirectly, up to 49  
percent in concessionaire enterprises  
that:

- (a) use, profit from or exploit a  
frequency band in the national  
Area, except the free use  
spectrum and the official use  
spectrum;
- (b) install, operate or exploit  
public telecommunication  
networks;
- (c) occupy geostationary orbital  
positions and satellite orbits  
assigned to the country and  
exploit their corresponding  
frequency bands; and,
- (d) exploit signal transmission and  
reception rights of frequency  
bands associated to foreign  
satellite systems that cover and  
which may provide services in  
the national Area.

#### Cross-Border Services

A concession granted by the Ministry  
of Communications and Transportation  
(Secretaría de Comunicaciones y  
Transportes, SCT) is required to:

- (a) use, profit from or exploit a  
frequency band in the national  
Area, except the free use  
spectrum and the official use  
spectrum;
- (b) install, operate or exploit  
public telecommunication  
networks;

- (c) occupy geostationary orbital positions and satellite orbits assigned to the country and exploit their corresponding frequency bands; and,
- (d) exploit signal transmission and reception rights of frequency bands associated to foreign satellite systems that cover and which may provide services in the national Area.

Only Mexican nationals and Mexican enterprises may obtain such a concession.

A concession is required to use, profit from or to exploit frequency bands for specific use of the radioelectrical spectrum in the Mexican national Area. Concessions to use, profit from or to exploit frequency bands of the spectrum for specific uses shall be granted through public bid.

International public traffic can be transported only by an enterprise holding a concession of public telecommunications network granted by SCT. Such traffic shall be routed through the international port of a concessionaire authorized by SCT.

Private networks operators seeking to commercially exploit services shall obtain a concession granted by SCT in which case they will change its nature to a public telecommunications network.

Phase-Out: None

9 Sector: Communications

Sub-Sector: Telecommunication Services and Public Networks (telephony)

Industry Classification: CMAP 720003 Telephone Services (includes mobile telephony services in the "A" and "B" bands)

CMAP 720004 Public Telephone Services

CMAP 502003 Telecommunications Installation

Type of Reservation: National Treatment (Articles 58 and 98)

Most-Favored-Nation Treatment (Article 99)

Local Presence (Article 100)

Level of Government: Federal

Measures: United Mexican States Political Constitution (Constitución Política de los Estados Unidos Mexicanos), Article 28

Telecommunications Federal Law (Ley Federal de Telecomunicaciones), Chapter I, Chapter III, Sections I, II, III and IV, and Chapter V

Foreign Investment Law (Ley de Inversión Extranjera), Title I, Chapter III

Regulations to the Public Telephony Services (Reglamento de Servicios de Telefonía Pública), Chapters I, II and IV

Regulations to Satellite Telecommunications (Reglamento de Telecomunicaciones Vía Satélite), Title II, Sections I, II and III

Rules of Local Service (Reglas del Servicio Local), Rule 8

Rules of Long Distance Service  
(Reglas del Servicio de Larga  
Distancia), Chapters III, IV and VII

Rules of International  
Telecommunications (Reglas de  
Telecomunicaciones Internacionales),  
Rules 1, 2, 3, 4, 5 and 6

Description: Telecommunication services covered in this reservation, whether provided or not to the public, refer to the real time transmission of information provided to users between two or more points, without changing from point to point in the form or content of the user's information.

#### Investment

Investors of the other Party or their investments may only participate, directly or indirectly, up to 49 percent in concessionaire Mexican enterprises providing telephony services, telephone booth services and telecommunications facilities, except for cellular telephony services.

Favorable resolution from the National Commission on Foreign Investment (Comisión Nacional de Inversiones Extranjeras, CNIE) is required for investors of the other Party or their investments to participate, directly or indirectly, in more than 49% in the capital of cellular telephony services operators.

#### Cross-Border Services

A concession granted by the Ministry of Communications and Transportation (Secretaría de Comunicaciones y Transportes, SCT) is required to:

- (a) use, profit from or exploit a frequency band in the national Area, except the free use spectrum and the official use spectrum;
- (b) install, operate or exploit public telecommunication networks;
- (c) occupy geostationary orbital positions and satellite orbits assigned to the country and exploit their corresponding frequency bands; and,
- (d) exploit signal transmission and reception rights of frequency bands associated to foreign satellite systems that cover and which may provide services in the national Area.

Only Mexican nationals or Mexican enterprises may obtain such a concession.

Private networks operators seeking to commercially exploit services shall obtain a concession granted by SCT in which case they will change its nature to a public telecommunications network.

Telecommunications Public Networks include the facilities to provide telephony services. Telecommunications public networks do not include the user's telecommunications equipment, nor the telecommunications networks located beyond the network termination point.

A concession is required to use, profit from, or to exploit frequency bands for specific use of the radioelectrical spectrum in the Mexican national Area. Concessions on frequency bands of the spectrum for specific uses shall be granted through public bid.

International traffic shall be routed through an international port of a concessionaire expressly authorized by the SCT.

Phase-Out: None

10 Sector: Communications

Sub-Sector: Transportation and Telecommunications

Industry Classification: CMAP 7200 Communications (including telecommunications and postal services)

CMAP 71 Transport

Type of Reservation: National Treatment (Article 58)

Level of Government: Federal

Measures: Ports Law (Ley de Puertos), Chapter IV

Regulatory Law of the Railway Service (Ley Reglamentaria del Servicio Ferroviario), Chapter II, Section III

Civil Aviation Law (Ley de Aviación Civil), Chapter III, Section III

Airports Law (Ley de Aeropuertos), Chapter IV

Roads, Bridges and Federal Road Transport Law (Ley de Caminos, Puentes y Autotransporte Federal), Title I, Chapter III

Telecommunications Federal Law (Ley Federal de Telecomunicaciones), Chapter III, Section VI

Radio and Television Federal Law (Ley Federal de Radio y Televisión), Title III, Chapters I and II

General Means of Communication Law (Ley de Vías Generales de Comunicación), Book I, Chapters III and V

Description: Investment

Foreign governments and foreign state enterprises or their investments may not invest, directly or indirectly, in Mexican enterprises engaged in communications, transportation and other general means of communications ("vías generales de comunicación") activities.

Phase-Out: None

11 Sector: Construction

Sub-Sector:

Industry Classification: CMAP 501322 Construction for Petroleum and Petroleum-derivative Pipelines (limited to specialized contractors only)

CMAP 503008 Drilling of Oil and Gas Wells (limited to specialized contractors only)

Type of Reservation: National Treatment (Article 58)

Level of Government: Federal

Measures: United Mexican States Political Constitution (Constitución Política de los Estados Unidos Mexicanos), Article 27

Regulatory Law of the Constitutional Article 27 on Oil Matters (Ley Reglamentaria del Artículo 27 Constitucional en el Ramo del Petróleo), Articles 2, 3, 4 and 6

Foreign Investment Law (Ley de Inversión Extranjera), Title I, Chapter III

Regulations to the Regulatory Law of the Constitutional Article 27 on Oil Matters (Reglamento de la Ley Reglamentaria del Artículo 27 Constitucional en el Ramo del Petróleo), Chapters I, V, IX and XII

Description: Investment

Risk-sharing contracts are prohibited.

Favorable resolution from the National Commission on Foreign Investment (Comisión Nacional de Inversiones Extranjeras, CNIE) is required for investors of the other Party or their investments to own, directly or indirectly, more than 49 percent of the ownership interest in an enterprise established or to be established in the Area of Mexico involved in "non-risk-sharing" contracts for the exploration and drilling works of petroleum and gas wells, and the construction of means for the transportation of petroleum and its derivatives. (See also Schedule of Mexico, Annex 8.)

Phase-Out: None

12 Sector: Educational Services

Sub-Sector: Private Schools

Industry Classification: CMAP 921101 Private Pre-school Educational Services

CMAP 921102 Private Primary Educational Services

CMAP 921103 Private Secondary Educational Services

CMAP 921104 Private High School Educational Services

CMAP 921105 Private Higher Education Services

CMAP 921106 Private Education Services that Combine Pre-school, Primary, Secondary, High School and Higher Education Levels

Type of Reservation: National Treatment (Article 58)

Level of Government: Federal

Measures: Foreign Investment Law (Ley de Inversión Extranjera), Title I, Chapter III

Law for the Coordination of Higher Education (Ley para la Coordinación de la Educación Superior), Chapter II

General Law of Education (Ley General de Educación), Chapter III

Description:

Investment

Favorable resolution from the National Commission on Foreign Investment (Comisión Nacional de Inversiones Extranjeras, CNIE) is required for investors of the other Party or their investments to own, directly or indirectly, more than 49 percent of the ownership interest in an enterprise established or to be established in the Area of Mexico that provides pre-school, primary, secondary, high school, higher, and combined private educational services.

Phase-Out:

None

13 Sector: Energy

Sub-Sector: Petroleum Products

Industry Classification: CMAP 623050 Retail Trade of Liquefied-Gas Fuels

Type of Reservation: National Treatment (Article 58)

Level of Government: Federal

Measures: Foreign Investment Law (Ley de Inversión Extranjera), Title I, Chapter II

Regulatory Law of the Constitutional Article 27 on Oil Matters (Ley Reglamentaria del Artículo 27 Constitucional en el Ramo del Petróleo), Chapters I, II, V, VII and IX

Regulations to the Regulatory Law of the Constitutional Article 27 on Oil Matters (Reglamento de la Ley Reglamentaria del Artículo 27 Constitucional en el Ramo del Petróleo), Chapters I, IX and XII

Regulations to Liquefied Petroleum Gas (Reglamento de Gas Licuado de Petróleo), Chapters II, III and V

Description: Investment

Only Mexican nationals and Mexican enterprises with foreigners' exclusion clause may engage in the distribution of liquefied petroleum gas.

Phase-Out: None

14 Sector: Energy

Sub-Sector: Petroleum Products

Industry Classification: CMAP 623090 Retail Trade of other Articles and Goods Not Elsewhere Classified (limited to distribution, transportation and storage of natural gas)

Type of Reservation: Local Presence (Article 100)

Level of Government: Federal

Measures: Regulatory Law of the Constitutional Article 27 on Oil Matters (Ley Reglamentaria del Artículo 27 Constitucional en el Ramo del Petróleo), Chapters I, II, V, VII and IX

Regulations to the Regulatory Law of the Constitutional Article 27 on Oil Matters (Reglamento de la Ley Reglamentaria del Artículo 27 Constitucional en el Ramo del Petróleo), Chapters I, IX and XII

Regulations to Natural Gas (Reglamento de Gas Natural), Chapters I, III, IV and V

Description: Cross-Border Services

A permit granted by the Energy Regulatory Commission (Comisión Reguladora de Energía) is required to provide services of distribution, transportation and storage of natural gas. Only Mexican enterprises may obtain such a permit.

Phase-Out: None

15 Sector: Energy

Sub-Sector: Petroleum Products

Industry Classification: CMAP 626000 Retail Trade of Gasoline and Diesel (including lubricants, oils and additives sold at filling stations)

Type of Reservation: National Treatment (Article 58)

Level of Government: Federal

Measures: Foreign Investment Law (Ley de Inversión Extranjera), Title I, Chapter II

Regulatory Law of the Constitutional Article 27 on Oil Matters (Ley Reglamentaria del Artículo 27 Constitucional en el Ramo del Petróleo), Chapters I, II, V, VII and IX

Regulations to the Regulatory Law of the Constitutional Article 27 on Oil Matters (Reglamento de la Ley Reglamentaria del Artículo 27 Constitucional en el Ramo del Petróleo), Chapters I, II, III, V, VII, IX and XII

Description: Investment

Only Mexican nationals and Mexican enterprises with a foreigners' exclusion clause may engage in the retail sale of gasoline, or acquire, establish or operate gas stations for the distribution or retail sale of gasoline, diesel, lubricants, oils or additives.

Phase-Out: None

16 Sector: Energy

Sub-Sector: Petroleum Products (Supply of fuel and lubricants for aircraft, ships and railway equipment)

Industry Classification:

Type of Reservation: National Treatment (Article 58)

Level of Government: Federal

Measures: Foreign Investment Law (Ley de Inversión Extranjera), Title I, Chapter III

Description: Investment

Investors of the other Party or their investments may own, directly or indirectly, up to 49 percent of the ownership interest of a Mexican enterprise which supplies fuel and lubricants for aircraft, ships and railway equipment.

Phase-Out: None

17 Sector: Fishing

Sub-Sector: Fishing

Industry Classification: CMAP 1300 Fishing

Type of Reservation: National Treatment (Article 98)  
Most-Favored-Nation Treatment (Article 99)  
Local Presence (Article 100)

Level of Government: Federal

Measures: United Mexican States Political Constitution (Constitución Política de los Estados Unidos Mexicanos), Article 32  
Fishing Law (Ley de Pesca), Chapters I and II  
Navigation Law (Ley de Navegación), Title II, Chapter I  
Regulations to the Fishing Law (Reglamento de la Ley de Pesca), Chapters I, III, IV, V, VI, IX and XV

Description: Cross-Border Services

A concession granted, or permit issued, by the Ministry of Environment and Natural Resources (Secretaría de Medio Ambiente y Recursos Naturales, SEMARNAT) is required to engage in fishing activities in "Mexican jurisdictional waters". Only Mexican nationals and Mexican enterprises using Mexican-flagged vessels may obtain such a concession or permit. Permits may exceptionally be issued to persons operating vessels flagged in a foreign country that provides equivalent treatment to Mexican-flagged vessels to engage in fishing activities in the Exclusive Economic Zone.

Only Mexican nationals and Mexican enterprises may obtain authorization from SEMARNAT for high seas fishing on Mexican-flagged vessels, fixed fishing facilities, recollection from the natural milieu of larvae, post-larvae, eggs, seeds or fingerlings, research or aquaculture purposes, introduction of live species into "Mexican jurisdictional waters", and educational fishing in accordance with the programs of fishing educational institutions.

Phase-Out: None

18 Sector: Fishing

Sub-Sector: Fishing

Industry Classification: CMAP 130011 Fishing in Ocean Waters  
 CMAP 130012 Fishing in Coastal Waters  
 CMAP 130013 Fishing in Inland Waters

Type of Reservation: National Treatment (Article 58)  
 Most-Favored-Nation Treatment (Article 59)

Level of Government: Federal

Measures: Fishing Law (Ley de Pesca), Chapters I, II and IV  
 Navigation Law (Ley de Navegación), Title III, Chapter I  
 Sea Federal Law (Ley Federal del Mar), Title I, Chapters I and III  
 National Waters Federal Law (Ley de Aguas Nacionales), Title I, and Title IV, Chapter I  
 Foreign Investment Law (Ley de Inversión Extranjera), Title I, Chapter III  
 Regulations to the Fishing Law (Reglamento de la Ley de Pesca), Chapters I, II, III, V, VI, IX and XV

Description: Investment

Investors of the other Party or their investments may only own, directly or indirectly, up to 49 percent of the ownership interest in an enterprise established or to be established in the Area of Mexico performing coastal fishing, fresh water fishing and fishing in the Exclusive Economic Zone, excluding aquaculture.

Favorable resolution from the National Commission on Foreign Investment (Comisión Nacional de Inversiones Extranjeras, CNIE) is required for investors of the other Party or their investments to own, directly or indirectly, more than 49 percent of the ownership interest in an enterprise established or to be established in the Area of Mexico performing fishing on the high seas.

Phase-Out: None

19 Sector: Manufacture of Goods

Sub-Sector: Explosives, Fireworks, Firearms and Cartridges

Industry Classification: CMAP 352236 Manufacture of Explosives and Fireworks  
CMAP 382208 Manufacture of Firearms and Cartridges

Type of Reservation: National Treatment (Article 58)

Level of Government: Federal

Measures: Foreign Investment Law (Ley de Inversión Extranjera), Title I, Chapter III

Description: Investment

Investors of the other Party or their investments may only own, directly or indirectly, up to 49 percent of the ownership interest in an enterprise established or to be established in the Area of Mexico that manufactures explosives, fireworks, firearms, cartridges and ammunition, excluding the preparation of explosive mixtures for industrial and extractive activities.

Phase-Out: None

20 Sector: Manufacture of Goods

Sub-Sector:

Industry  
Classification:

Type of  
Reservation: Performance Requirements (Article 65)

Level of  
Government: Federal

Measures: Foreign Trade Law (Ley de Comercio Exterior), Title I, Title II, Chapters I, II and III, and Title III

Decree for the Promotion and Operation of the Highly Exporter Enterprises (Decreto para el Fomento y Operación de las Empresas Altamente Exportadoras) ("ALTEX Decree")

Description: Investment

1. "Direct exporters", as defined in the ALTEX Decree, authorized by the Ministry of Economy (Secretaría de Economía, SE) to operate under that Decree must export annually at least 40 percent of their total sales or US\$2,000,000.

2. "Indirect exporters", as defined in the ALTEX Decree, authorized by the SE to operate under that Decree must export annually at least 50 percent of their total sales.

Phase-Out: None

21 Sector: Manufacture of Goods

Sub-Sector:

Industry  
Classification:

Type of  
Reservation: Performance Requirements (Article 65)

Level of  
Government: Federal

Measures: Foreign Trade Law (Ley de Comercio Exterior), Title I, Title II, Chapters I, II and III, and Title III

Customs Law (Ley Aduanera), Title III, Chapter II, Section III, and Title IV, Chapters I and III

Decree that establishes Temporary Import Programs to Produce Export Goods (Decreto que Establece Programas de Importación Temporal para Producir Artículos de Exportación) ("PITEX Decree")

Decree for the Promotion and Operation of the Maquiladora Industry for Export (Decreto para el Fomento y Operación de la Industria Maquiladora de Exportación) ("Maquiladora Decree")

Description: Investment

Persons authorized by the Ministry of Economy (Secretaría de Economía, SE) to operate under the PITEX and Maquiladora Decrees are required to export at least:

(a) 30 percent of their total annual production in order to be permitted to temporarily import duty-free

- (i) Tools, equipment and accessories used for research and industrial safety; products needed in the hygiene and asepsis as well as in the prevention and control of the environmental pollution of the productive system; handbooks and industrial plans; telecommunication and computer equipment, and
  - (ii) Machinery, devices, equipment instruments and spare parts used in the manufacturing process; laboratory, measuring and testing equipment as well as equipment required for quality control, training of personnel and the administrative development of the company.
- (b) 10 percent of their total annual production or US\$500,000 in order to be permitted to temporarily import duty-free
- (i) raw materials, parts, and components, auxiliary materials, containers, packaging materials, fuels and lubricants used in the production of export goods, and
  - (ii) containers and trailer's containers.

Phase-Out:           None

22 Sector: Printing, Editing and Associated Industries

Sub-Sector: Newspaper Publishing

Industry Classification: CMAP 342001 Publishing of Newspapers, Magazines and Periodicals (limited to newspapers)

Type of Reservation: National Treatment (Article 58)

Level of Government: Federal

Measures: Foreign Investment Law (Ley de Inversión Extranjera), Title I, Chapter III

As qualified by the Description element

Description: Investment

Investors of the other Party or their investments may only own, directly or indirectly, up to 49 percent of the ownership interest in an enterprise established or to be established in the Area of Mexico engaged in the printing or publication of daily newspapers written primarily for a Mexican audience and distributed in the Area of Mexico.

For purposes of this reservation, daily newspapers are those published at least five days a week.

Phase-Out: None

23 Sector: Professional, Technical and Specialized Services

Sub-Sector: Medical Doctors

Industry Classification: CMAP 9231 Medical, Dental and Veterinary Services provided by the Private Sector (limited to medical and dental services)

Type of Reservation: National Treatment (Article 98)

Level of Government: Federal

Measures: Federal Labor Law (Ley Federal del Trabajo), Chapter I

Description: Cross-Border Services

Only Mexican nationals licensed as doctors in the Area of Mexico may provide in-house medical services in Mexican enterprises.

Phase-Out: None

24 Sector: Professional, Technical and Specialized Services

Sub-Sector: Professional Services

Industry Classification: CMAP 9510 Provision of Professional, Technical and Specialized Services (limited to professional services)

Type of Reservation: National Treatment (Article 98)  
Local Presence (Article 100)

Level of Government: Federal

Measures: Regulatory Law of the Constitutional Article 5 relating to the Practice of the Professions in the Federal District (Ley Reglamentaria del Artículo 5° Constitucional, relativo al Ejercicio de las Profesiones en el Distrito Federal), Chapter III, Section III, and Chapter V

Regulations to the Regulatory Law of the Constitutional Article 5 relating to the Practice of the Professions in the Federal District (Reglamento de la Ley Reglamentaria del Artículo 5° Constitucional, relativo al Ejercicio de las Profesiones en el Distrito Federal), Chapter III

Population General Law (Ley General de Población), Chapter III

Description: Cross-Border Services

Pursuant to the relevant international treaties of which Mexico is a Party, foreigners may practice in the Federal District the professions set forth in the Regulatory Law of the Constitutional Article 5 related to the Practice of the Professions in the Federal District.

In the absence of an international treaty on the matter, the professional practice by foreigners will be subject to reciprocity in the place of residence of the applicant and to compliance with the rest of the requirements established in the Mexican laws and regulations.

Foreign professionals must have an address in Mexico. Address will be understood as the place used for hearing and notice purposes.

Phase-Out: None

25      Sector:                      Professional, Technical and  
Specialized Services

          Sub-Sector:                  Specialized Services (Commercial  
Notary Public)

          Industry  
Classification:

          Type of                      National Treatment (Articles 58  
Reservation:                      and 98)

    Local Presence (Article 100)

          Level of                      Federal  
Government:

          Measures:                    Commercial Notary Public Federal Law  
(Ley Federal de Correduría Pública),  
Articles 7, 8, 12 and 15

    Regulations to the Commercial Notary  
Public Federal Law (Reglamento de la  
Ley Federal de Correduría Pública),  
Chapter I, and Chapter II, Sections I  
and II

    Foreign Investment Law (Ley de  
Inversión Extranjera), Title I,  
Chapter II

          Description:                Investment and Cross-Border Services

    Only a Mexican national by birth may  
be licensed to be a commercial notary  
public ("corredor público").

    A commercial notary public may not  
have a business affiliation with any  
person for the provision of  
commercial notary public services.

    A commercial notary public shall  
establish an office in the place  
where he has been authorized to  
practice.

          Phase-Out:                 None

26 Sector: Professional, Technical and Specialized Services

Sub-Sector: Specialized Services

Industry Classification: CMAP 951012 Services of Customs and Representative Agencies

Type of Reservation: National Treatment (Articles 58 and 98)

Level of Government: Federal

Measures: Customs Law (Ley Aduanera), Title II, Chapters I and III, and Title VII, Chapter I

Foreign Investment Law (Ley de Inversión Extranjera), Title I, Chapter II

Description: Investment and Cross-Border Services

Only a Mexican national by birth may be a custom broker.

Only custom brokers acting as consignees or legal representatives ("mandatarios") of an importer or exporter, as well as custom broker's assignees, may carry out the formalities related to the custom clearance of the goods of such importer or exporter.

Investors of the other Party or their investments may not participate, directly or indirectly, in a custom brokers agency.

Phase-Out: None

27 Sector: Religious Services

Sub-Sector:

Industry Classification: CMAP 929001 Services of Religious Organizations

Type of Reservation: Senior Management and Boards of Directors (Article 64)

Local Presence (Article 100)

Level of Government: Federal

Measures: Religious Associations and Public Worship Law (Ley de Asociaciones Religiosas y Culto Público), Title II, Chapters I and II

Description: Investment

Representatives of religious associations in Mexico must be Mexican nationals.

Cross-Border Services

Religious associations must be associations constituted in accordance with the Religious Associations and Public Worship Law (Ley de Asociaciones Religiosas y Culto Público).

Religious associations must register before the Ministry of Internal Affairs (Secretaría de Gobernación, SEGOB). To be registered, the religious associations must be established in Mexico.

Phase-Out: None

28 Sector: Retail Trade

Sub-Sector: Sale of Non-Food Products in Specialized Establishments

Industry Classification: CMAP 623087 Retail Trade of Firearms, Cartridges and Munitions

CMAP 612024 Wholesale Trade Not Elsewhere Classified (limited to firearms, cartridges and munitions)

Type of Reservation: National Treatment (Article 58)

Level of Government: Federal

Measures: Foreign Investment Law (Ley de Inversión Extranjera), Title I, Chapter III

Description: Investment

Investors of the other Party or their investments may only own, directly or indirectly, up to 49 percent of the ownership interest in an enterprise established or to be established in the Area of Mexico that is engaged in the sale of explosives, firearms, cartridges, ammunition, and fireworks, excluding the acquisition and use of explosives for industrial and extractive activities, and the preparation of explosive mixtures for such activities.

Phase-Out: None

29 Sector: Services to Agriculture

Sub-Sector:

Industry Classification: CMAP 971010 Provision of Agricultural Services

Type of Reservation: National Treatment (Article 98)  
Local Presence (Article 100)

Level of Government: Federal

Measures: United Mexican States Political Constitution (Constitución Política de los Estados Unidos Mexicanos), Article 32  
Plant Health Federal Law (Ley Federal de Sanidad Vegetal), Title II, Chapter IV  
Regulations to the Phitosanitary Law of the United Mexican States (Reglamento de la Ley de Sanidad Fitopecuaria de los Estados Unidos Mexicanos), Chapter VII

Description: Cross-Border Services  
A concession granted by the Ministry of Agriculture, Livestock, Rural Development, Fishing and Food (Secretaría de Agricultura, Ganadería, Desarrollo Rural, Pesca y Alimentación) is required to spray pesticides.  
Only Mexican nationals or Mexican enterprises may obtain such a concession.

Phase-Out: None

30 Sector: Transportation

Sub-Sector: Air Transportation

Industry Classification: CMAP 384205 Manufacture, Assembly and Repair of Aircraft (limited to repair of aircrafts)

Type of Reservation: Local Presence (Article 100)

Level of Government: Federal

Measures: Civil Aviation Law (Ley de Aviación Civil), Chapter III, Section II

Regulations to Aircraft Repair Facilities (Reglamento de Talleres Aeronáuticos), Chapter I

Description: Cross-Border Services

A permit issued by the Ministry of Communications and Transportation (SCT) is required to establish and operate, or operate, an aircraft repair facility, and centers for teaching and training of personnel.

Phase-Out: None

31 Sector: Transportation

Sub-Sector: Air Transportation

Industry Classification: CMAP 713001 Scheduled Air Transport Services on Domestically Registered Aircraft

CMAP 713002 Non-Scheduled Air Transport (Air Taxis)

Type of Reservation: National Treatment (Article 58)

Senior Management and Boards of Directors (Article 64)

Level of Government: Federal

Measures: Civil Aviation Law (Ley de Aviación Civil), Chapters IX and X

Regulations to the Civil Aviation Law (Reglamento de la Ley de Aviación Civil), Title II, Chapter I

Foreign Investment Law (Ley de Inversión Extranjera), Title I, Chapter III

As qualified by the Description element

Description: Investment

Investors of the other Party or their investments may only own, directly or indirectly, up to 25 percent of the voting interests in an enterprise established or to be established in the Area of Mexico that provides commercial air services on Mexican-registered aircrafts. The chairman and at least two-thirds of the boards of directors and two-thirds of the managing officers of such an enterprise must be Mexican nationals.

Only Mexican nationals and Mexican enterprises in which 75 percent of the voting interest is owned or controlled by Mexican nationals and of which the chairman and at least two-thirds of the managing officers are Mexican nationals, may register an aircraft in Mexico.

Phase-Out: None



Description: Investment

Favorable resolution from the National Commission on Foreign Investment (Comisión Nacional de Inversiones Extranjeras, CNIE) is required for investors of the other Party or their investments to own, directly or indirectly, more than 49 percent of the ownership interest in an enterprise established or to be established in the Area of Mexico that is a concessionaire or permissionaire of airfields for public service.

When resolving, the CNIE will consider that the national and technological development be favored, and that the sovereign integrity of the nation be protected.

Phase-Out: None

33 Sector: Transportation

Sub-Sector: Specialty Air Services

Industry  
Classification:

Type of  
Reservation: National Treatment (Article 58)

Senior Management and Boards of  
Directors (Article 64)

Local Presence (Article 100)

Level of  
Government: Federal

Measures: General Means of Communications Law  
(Ley de Vías Generales de  
Comunicación), Book I, Chapter III

Foreign Investment Law (Ley de  
Inversión Extranjera), Title I,  
Chapter III

Civil Aviation Law (Ley de Aviación  
Civil), Chapters I, II, IV and IX

As qualified by the Description  
element

Description: Investment

Investors of the other Party or their investments may only own, directly or indirectly, up to 25 percent of the voting interests in an enterprise established or to be established in the Area of Mexico that provides specialty air services using Mexican-registered aircrafts. The chairman and at least two-thirds of the board of directors and two-thirds of the managing officers of such an enterprise must be Mexican nationals. Only Mexican nationals and Mexican enterprises in which 75 percent of the voting interests is owned or controlled by Mexican nationals and of which the chairman and at least two-thirds of the managing officers are Mexican nationals may register an aircraft in Mexico.

#### Cross-Border Services

A permit issued by the Ministry of Communications and Transportation (Secretaría de Comunicaciones y Transportes, SCT) is required to provide all specialty air services in the Area of Mexico. Such a permit may only be granted when the person interested in the supply of these services has an address in the Area of Mexico.

Phase-Out: None

34 Sector: Transportation

Sub-Sector: Land Transportation

Industry Classification: CMAP 711201 Construction Materials Transport Services

CMAP 711202 Moving Services

CMAP 711203 Other Specialized Freight Transport Services

CMAP 711204 General Freight Transport Services

CMAP 711311 Long-Distance Passenger Bus and Coach Transport Services

CMAP 711318 School and Tourist Transport Services (limited to tourist transport services)

Type of Reservation: National Treatment (Articles 58 and 98)

Local Presence (Article 100)

Level of Government: Federal

Measures: Foreign Investment Law (Ley de Inversión Extranjera), Title I, Chapter II

Roads, Bridges and Federal Road Transport Law (Ley de Caminos, Puentes y Autotransporte Federal), Title I, Chapter III

Regulations to the Federal Road Transport and Ancillary Services (Reglamento de Autotransporte Federal y Servicios Auxiliares), Chapter I

Description: Investment

Investors of the other Party or their investments may not own, directly or indirectly, an ownership interest in an enterprise established or to be established in the Area of Mexico, engaged in transportation services of passengers other than inter-city bus services, or in transportation services of domestic cargo between points in the Area of Mexico, except for packaging and messenger services.

#### Cross-Border Services

A permit issued by the Ministry of Communications and Transportation (Secretaría de Comunicaciones y Transportes, SCT) is required to provide inter-city bus services, tourist transportation services or truck services for the transportation of goods or passengers to or from the Area of Mexico. Only Mexican nationals and Mexican enterprises with a foreigners' exclusion clause may provide such services.

Only Mexican nationals and Mexican enterprises with a foreigners' exclusion clause, using Mexican-registered equipment that is Mexican-built or legally imported, and drivers who are Mexican nationals, may provide bus or truck services for the transportation of goods or passengers between points in the Area of Mexico.

A permit issued by the SCT is required to provide packaging and messenger services. These permits shall be granted to Mexican nationals or enterprises incorporated under the laws of Mexico.

Phase-Out: None

35 Sector: Transportation

Sub-Sector: Land Transportation

Industry Classification: CMAP 711312 Urban and Suburban Passenger Bus and Coach Transport Services

CMAP 711315 Motor Vehicle Taxi Transport Services

CMAP 711316 Motor Vehicle Fixed Route Transport Services

CMAP 711317 Transport Services in Motor Vehicles from Taxi-Ranks

CMAP 711318 School and Tourist Transport Services (limited to school transport services)

Type of Reservation: National Treatment (Articles 58 and 98)

Level of Government: Federal

Measures: Foreign Investment Law (Ley de Inversión Extranjera), Title I, Chapter II

General Means of Communication Law (Ley de Vías Generales de Comunicación), Book I, Chapters I and II

Roads, Bridges and Federal Road Transport Law (Ley de Caminos, Puentes y Autotransporte Federal), Title I, Chapter III

Regulations to the Federal Road Transport and Auxiliary Services (Reglamento de Autotransporte Federal y Servicios Auxiliares), Chapter I

Description: Investment and Cross-Border Services

Only Mexican nationals and Mexican enterprises with a foreigners' exclusion clause may provide local bus services, school bus services and taxi and other collective transportation services.

Phase-Out: None

36 Sector: Transportation

Sub-Sector: Land Transportation

Industry Classification: CMAP 973101 Management Services of Passenger Bus Terminals and Auxiliary Services (limited to main bus and truck terminals and bus and truck stations)

Type of Reservation: National Treatment (Article 98)  
Local Presence (Article 100)

Level of Government: Federal

Measures: Roads, Bridges and Federal Road Transport Law (Ley de Caminos, Puentes y Autotransporte Federal), Title I, Chapter III

Regulations to the Enjoyment of the Right of Way of the Federal Roads and Surrounding Zones (Reglamento para el Aprovechamiento del Derecho de Vía de las Carreteras Federales y Zonas Aledañas), Chapters II and IV

Regulations to the Federal Road Transport and Auxiliary Services (Reglamento de Autotransporte Federal y Servicios Auxiliares), Chapter I

Description: Cross-Border Services

A permit issued by the Ministry of Communications and Transportation (Secretaría de Comunicaciones y Transportes, SCT) is required to establish, or operate, a bus or truck station or terminal. Only Mexican nationals and Mexican enterprises may obtain such a permit.

Phase-Out: None

37 Sector: Transportation

Sub-Sector: Land Transportation

Industry Classification: CMAP 973102 Management Services of Roads, Bridges and Auxiliary Services

Type of Reservation: National Treatment (Article 98)  
Local Presence (Article 100)

Level of Government: Federal

Measures: United Mexican States Political Constitution (Constitución Política de los Estados Unidos Mexicanos), Article 32  
  
Roads, Bridges and Federal Road Transport Law (Ley de Caminos, Puentes y Autotransporte Federal), Title I, Chapter III

Description: Cross-Border Services  
  
A concession granted by the Ministry of Communications and Transportation (Secretaría de Comunicaciones y Transportes, SCT) is required to provide road and bridge management services and auxiliary services. Only Mexican nationals and Mexican enterprises may obtain such a concession.

Phase-Out: None

38 Sector: Transportation

Sub-Sector: Land Transportation and Water Transportation

Industry Classification: CMAP 501421 Construction of Maritime and River Works

CMAP 501422 Construction of Roadworks and Works for Land Transport

Type of Reservation: National Treatment (Article 98)

Local Presence (Article 100)

Level of Government: Federal

Measures: United Mexican States Political Constitution (Constitución Política de los Estados Unidos Mexicanos), Article 32

Roads, Bridges and Federal Road Transport Law (Ley de Caminos, Puentes y Autotransporte Federal), Title I, Chapter III

Ports Law (Ley de Puertos), Chapter IV

Navigation Law (Ley de Navegación), Title I, Chapter II

Description: Cross-Border Services

A concession granted by the Ministry of Communications and Transportation (Secretaría de Comunicaciones y Transportes, SCT) is required to construct and operate, or operate, marine or river works or roads for land transportation. Such a concession may be granted only to Mexican nationals and Mexican enterprises.

Phase-Out: None

39 Sector: Transportation

Sub-Sector: Non-Energy Pipelines

Industry  
Classification:

Type of  
Reservation: National Treatment (Article 98)  
Local Presence (Article 100)

Level of  
Government: Federal

Measures: United Mexican States Political  
Constitution (Constitución Política  
de los Estados Unidos Mexicanos),  
Article 32

General Means of Communication Law  
(Ley de Vías Generales de  
Comunicación), Book I, Chapters I, II  
and III

National Waters Federal Law (Ley de  
Aguas Nacionales), Title I, Chapter  
II, and Title IV, Chapter II

Description: Cross-Border Services

A concession granted by the Ministry  
of Communications and Transportation  
(Secretaría de Comunicaciones y  
Transportes, SCT) is required to  
construct and operate, or operate,  
pipelines carrying goods other than  
energy or basic petrochemicals. Only  
Mexican nationals and Mexican  
enterprises may obtain such a  
concession.

Phase-Out: None

40 Sector: Transportation

Sub-Sector: Railway Transportation Services

Industry Classification: CMAP 711101 Transport Services Via Railway

Type of Reservation: National Treatment (Articles 58 and 98)

Local Presence (Article 100)

Level of Government: Federal

Measures: Foreign Investment Law (Ley de Inversión Extranjera), Title I, Chapter III

Regulatory Law of the Railway Service (Ley Reglamentaria del Servicio Ferroviario), Chapter I, and Chapter II, Section III

Regulations to the Railway Service (Reglamento del Servicio Ferroviario), Title I, Chapters I, II and III, Title II, Chapters I and IV, and Title III, Chapter I, Sections I and II

Description: Investment

Favorable resolution from the National Commission of Foreign Investment (Comisión Nacional de Inversiones Extranjeras, CNIE) is required for investors of the other Party or their investments to participate, directly or indirectly, in more than 49 percent of the ownership interest of an enterprise established or to be established in the Area of Mexico engaged in the construction, operation and exploitation of railroads deemed general means of communication, or in the supply of railway transportation public service.

When resolving, the CNIE will consider that the national and technological development be favored, and that the sovereign integrity of the nation be protected.

#### Cross-Border Services

A concession granted by the Ministry of Communications and Transportation (Secretaría de Comunicaciones y Transportes, SCT) is required to construct, operate and exploit railway transportation services and to provide railway transportation public service. Only Mexican enterprises may obtain such a concession.

A permit issued by SCT is required to provide auxiliary services; the construction of entry and exit facilities, crossings and marginal facilities in the right of way; the installation of advertisements and publicity signs in the right of way; and the construction and operation of bridges over railway lines. Only Mexican nationals and Mexican enterprises may obtain such a permit.

Phase-Out: None

41 Sector: Transportation

Sub-Sector: Railway Transportation Services

Industry Classification: CMAP 711101 Transport Services Via Railway (limited to railway crew)

Type of Reservation: National Treatment (Article 98)

Level of Government: Federal

Measures: Federal Labor Law (Ley Federal del Trabajo), Title VI, Chapter V

Description: Cross-Border Services

Railway crew members must be Mexican nationals.

Phase-Out: None



43 Sector: Transportation

Sub-Sector: Water Transportation

Industry Classification: CMAP 712011 Sea and Coastal Transport Services

CMAP 712012 Coastal Transport Services

CMAP 712013 Transoceanic and Coastal Towing Services

CMAP 712021 Inland Water Transport Services

Type of Reservation: National Treatment (Articles 58 and 98)

Most-Favored-Nation Treatment (Articles 59 and 99)

Level of Government: Federal

Measures: Navigation Law (Ley de Navegación), Title III, Chapter I

Foreign Investment Law (Ley de Inversión Extranjera), Title I, Chapter III

Economic Competition Federal Law (Ley Federal de Competencia Económica), Chapter IV

As qualified by the Description element

Description: Investment and Cross-Border Services

The operation or exploitation of high-seas navigation vessels, including transport and international maritime towing services is open to ships owners and vessels of all countries, on the basis of reciprocity according to international treaties. With the previous opinion of the Federal Competition Commission (Comisión Federal de Competencia, CFC), the Ministry of Communications and Transportation (Secretaría de Comunicaciones y Transportes, SCT) may reserve, totally or partially, certain international high-seas freight transportation services, which could only be carried out by Mexican shipping enterprises with Mexican-flagged vessels or vessels reputed as such when the principles of free competition are not respected or the national economy is affected.

The operation and exploitation of dredges and maritime devices for the construction, preservation and operation of ports may be carried out by Mexican or foreign shipping enterprises using Mexican or foreign vessels or maritime devices.

Investors of the other Party or their investments may only own, directly or indirectly, up to 49 percent of the ownership interest in a Mexican shipping enterprise, established or to be established in the Area of Mexico, which is engaged in the commercial exploitation of vessels for inland and coastal navigation, excluding tourism cruises and exploitation of dredges and maritime devices for the construction, preservation and operation of ports.

Favorable resolution from the National Commission of Foreign Investments (Comisión Nacional de Inversiones Extranjeras, CNIE) is required for investors of the other Party or their investments to own, directly or indirectly, more than 49 percent of the ownership interest in an enterprise established or to be established in the Area of Mexico engaged in high-seas navigation services.

Phase-Out: None

44 Sector: Transportation

Sub-Sector: Water Transportation

Industry Classification: CMAP 973201 Water Transport Loading and Unloading Services (includes operation and maintenance of docks; loading and unloading of vessels at shore-side; marine cargo handling; operation and maintenance of piers; ship and boat cleaning; stevedoring; transfer of cargo between ships and trucks, trains, pipelines and wharves; waterfront terminal operations)

Type of Reservation: National Treatment (Articles 58 and 98)

Local Presence (Article 100)

Level of Government: Federal

Measures: United Mexican States Political Constitution (Constitución Política de los Estados Unidos Mexicanos), Article 32

Navigation Law (Ley de Navegación), Title I, Chapter II, and Title II, Chapters IV and V

Ports Law (Ley de Puertos), Chapters II, IV and VI

General Means of Communication Law (Ley de Vías Generales de Comunicación), Book I, Chapters I, II and III

Regulations to the Use and Enjoyment of the Territorial Sea, Water Ways, Beaches, Relevant Federal Coastal Zone and Lands Gained to the Sea (Reglamento para el Uso y Aprovechamiento del Mar Territorial, Vías Navegables, Playas, Zona Federal Marítimo Terrestre y Terrenos Ganados al Mar), Chapter II, Section II

Foreign Investment Law (Ley de Inversión Extranjera), Title I, Chapter III

Description: Investment

Favorable resolution from the National Commission on Foreign Investment (Comisión Nacional de Inversiones Extranjeras, CNIE) is required for investors of the other Party or their investments to own, directly or indirectly, more than 49 percent of the ownership interest in an enterprise, established or to be established in the Area of Mexico providing port services to vessels for inland navigation such as towing, mooring and tendering.

Cross-Border Services

A concession granted by the Ministry of Communications and Transportation (Secretaría de Comunicaciones y Transportes, SCT) is required to construct and operate, or operate, maritime and inland port terminals, including docks, cranes and related facilities. Only Mexican nationals and Mexican enterprises may obtain such a concession.

A permit issued by the SCT is required to provide stevedoring and warehousing services. Only Mexican nationals and Mexican enterprises may obtain such a permit.

Phase-Out: None

45    Sector:                    Transportation

      Sub-Sector:                Water Transportation

      Industry                    CMAP 973203    Management of Ports

      Classification:

      Type of                      National Treatment (Article 58)

      Reservation:

      Level of                      Federal

      Government:

      Measures:                    Ports Law (Ley de Puertos), Chapters IV and V

                                      Regulations to the Ports Law (Reglamento de la Ley de Puertos), Title I, Chapters I and VI

                                      Foreign Investment Law (Ley de Inversión Extranjera), Title I, Chapter III

      Description:                Investment

                                      Investors of the other Party or their investments may only own, directly or indirectly, up to 49 percent of the ownership interest of a Mexican enterprise authorized to act as an integral port administrator.

                                      An integral port administration exists when the planning, programming, development and other actions relating to the goods and services of a port are wholly entrusted to a corporation, by means of a concession for the use, enjoyment and exploitation of the goods and the supply of the respective services.

      Phase-Out:                    None

46	Sector	Transportation
	Sub-Sector:	Water Transportation
	Industry Classification:	CMAP 973203 Management of Ports (limited to piloting port services)
	Type of Reservation:	National Treatment (Article 58)
	Level of Government:	Federal
	Measures:	Navigation Law (Ley de Navegación), Title III, Chapter III  Foreign Investment Law (Ley de Inversión Extranjera), Title I, Chapter III  Ports Law (Ley de Puertos), Chapters IV and VI
	Description:	Investment  Investors of the other Party or their investments may only participate, directly or indirectly, up to 49 percent in Mexican enterprises engaged in the supply of piloting port services to vessels operating in inland navigation.
	Phase-Out:	None