ANNEX II SCHEDULE OF THE UNITED STATES

Sector: Communications

Obligations Concerned: National Treatment (Articles 9.4 and 10.3)

Most-Favored-Nation Treatment (Articles 9.5 and 10.4)

Description: <u>Cross-Border Trade in Services and Investment</u>

The United States reserves the right to:

- a) adopt or maintain any measure that accords differential treatment to persons of other countries due to application of reciprocity measures or through international agreements involving sharing of the radio spectrum, guaranteeing market access, or national treatment with respect to the one-way satellite transmission of direct-to-home (DTH) and direct broadcasting satellite (DBS) television services and digital audio services; and
- b) prohibit a person of a Party from offering DTH or DBS television and digital audio services into the territory of the United States unless that person establishes that the Party of which it is a person:
 - (i) permits U.S. persons to obtain a license for such service in that Party in similar circumstances; and
 - (ii) treats the supply of audio or video content originating in the Party no more favorably than the supply of audio or video content originating in a non-Party or any other Party.

Sector: Communications - Cable Television

Obligations Concerned: National Treatment (Article 9.4)

Senior Management and Boards of Directors (Article 9.10)

Description: <u>Investment</u>

The United States reserves the right to adopt or maintain any measure that prohibits a person of a Party from owning or operating a cable television system in the territory of the United States unless that person establishes that the Party:

- (a) permits U.S. persons to own or operate such systems in the territory of the Party under similar circumstances;and
- (b) treats the supply of video content originating in the Party no more favorably than the supply of content of any other Party or non-Party.

A measure may be deemed to treat content of a Party more favorably if it applies preferential treatment on the basis that the director, producer, publisher, actors or owner of such content is a person of that Party, or the production, editing or distribution of such content took place in the territory of that Party, or on any other basis that affords protection to local production.

Sector: Social Services

Obligations Concerned: National Treatment (Articles 9.4 and 10.3)

Most-Favored-Nation Treatment (Articles 9.4 and 10.5)

Local Presence (Article 10.6)

Performance Requirements (Article 9.9)

Senior Management and Boards of Directors (Article 9.10)

Description: <u>Cross-Border Trade in Services and Investment</u>

The United States reserves the right to adopt or maintain any measure with respect to the provision of law enforcement and correctional services, and the following services to the extent they are social services established or maintained for a public purpose: income security or insurance, social security or insurance, social welfare, public education, public training, health, and child care.

Sector: Minority Affairs

Obligations Concerned: National Treatment (Articles 9.4 and 10.3)

Local Presence (Article 10.6)

Performance Requirements (Article 9.9)

Senior Management and Boards of Directors (Article 9.10)

Description: <u>Cross-Border Trade in Services and Investment</u>

The United States reserves the right to adopt or maintain any

measure according rights or preferences to socially or

economically disadvantaged minorities, including corporations organized under the laws of the State of Alaska in accordance

with the Alaska Native Claims Settlement Act.

Existing Measures: Alaska Native Claims Settlement Act, 43 U.S.C. §§ 1601 et

<u>seq</u>..

Sector: Transportation

Obligations Concerned: National Treatment (Articles 9.4 and 10.3)

Most-Favored-Nation Treatment (Articles 9.5 and 10.4)

Local Presence (Article 10.6)

Performance Requirements (Article 9.9)

Senior Management and Boards of Directors (Article 9.10)

Description: <u>Cross-Border Trade in Services and Investment</u>

The United States reserves the right to adopt or maintain any measure relating to the provision of maritime transportation services and the operation of U.S.-flagged vessels, including the following:

- (a) requirements for investment in, ownership and control of, and operation of vessels and other marine structures, including drill rigs, in maritime cabotage services, including maritime cabotage services performed in the domestic offshore trades, the coastwise trades, U.S. territorial waters, waters above the continental shelf, and in the inland waterways;
- (b) requirements for investment in, ownership and control of, and operation of U.S.-flagged vessels in foreign trades;
- (c) requirements for investment in, ownership or control of, and operation of vessels engaged in fishing and related activities in U.S. territorial waters and the Exclusive Economic Zone;
- (d) requirements related to documenting a vessel under the U.S. flag;
- (e) promotional programs, including tax benefits, available for shipowners, operators, and vessels meeting certain requirements;
- (f) certification, licensing, and citizenship requirements for crew members on U.S.-flagged vessels;
- (g) manning requirements for U.S.-flagged vessels;

- (h) all matters under the jurisdiction of the Federal Maritime Commission;
- (i) negotiation and implementation of bilateral and other international maritime agreements and understandings;
- (j) limitations on longshore work performed by crew members;
- (k) tonnage duties and light money assessments for entering U.S. waters; and
- (I) certification, licensing, and citizenship requirements for pilots performing pilotage services in U.S. territorial waters.

The following activities are not included in this reservation. However, the treatment provided to a Party in (b) is conditional upon obtaining comparable market access in these sectors from that Party:

- (a) vessel construction and repair; and
- (b) landside aspects of port activities, including operation and maintenance of docks; loading and unloading of vessels directly to or from land; marine cargo handling; operation and maintenance of piers; ship cleaning; stevedoring; transfer of cargo between vessels and trucks, trains, pipelines, and wharves; waterfront terminal operations; boat cleaning; canal operation; dismantling of vessels; operation of marine railways for drydocking; marine surveyors, except cargo; marine wrecking of vessels for scrap; and ship classification societies.

Existing Measures:

Merchant Marine Act of 1920, §§ 19 and 27, 46 U.S.C. App. § 876 and §§ 883 et seq.

Jones Act Waiver Statute, 46 U.S.C. § 501 Shipping Act of 1916, 46 U.S.C. App. §§ 802 and 808 Merchant Marine Act of 1936, 46 U.S.C. App. §§ 1151 et seq., 1160-61, 1171 et seq., 1241(b), 1241-1, 1244, and 1271 et seq.

Merchant Ship Sales Act of 1946, 50 U.S.C. App. § 1738

46 U.S.C. App. §§ 121, 292, and 316

46 U.S.C. §§ 12101 et seq. and 31301 et seq.

46 U.S.C. §§ 8904 and 31328(2)

Passenger Vessel Act, 46 U.S.C. App. § 289

42 U.S.C. §§ 9601 <u>et seq.</u>; 33 U.S.C. §§ 2701 <u>et seq.</u>; 33 U.S.C. §§ 1251 <u>et seq</u>.

46 U.S.C. §§ 3301 et seq., 3701 et seq., 8103, and 12107(b)

Shipping Act of 1984, 46 U.S.C. App. §§ 1708 and 1712

The Foreign Shipping Practices Act of 1988, 46 U.S.C. App. § 1710a

Merchant Marine Act, 1920, 46 U.S.C. App. §§ 861 et seq.

Shipping Act of 1984, 46 U.S.C. App. §§ 1701 et seq.

Alaska North Slope, 104 Pub. L. 58; 109 Stat. 557

Longshore restrictions and reciprocity, 8 U.S.C. §§ 1101 et seq.

Vessel escort provisions, Section 1119 of Pub. L. 106-554, as amended *Nicholson Act*, 46 U.S.C. App. § 251

Commercial Fishing Industry Vessel Anti-Reflagging Act of 1987, 46 U.S.C. § 2101 and 46 U.S.C. § 12108

43 U.S.C. § 1841

22 U.S.C. § 1980

Intercoastal Shipping Act, 46 U.S.C. App. § 843

46 U.S.C. § 9302, 46 U.S.C. § 8502; Agreement Governing the Operation of Pilotage on the Great Lakes, Exchange of Notes at Ottawa, August 23, 1978, and March 29, 1979, TIAS 9445

Magnuson Fishery Conservation and Management Act, 16 U.S.C. §§ 1801 et seq.

19 U.S.C. § 1466

North Pacific Anadramous Stocks Convention Act of 1972, P.L. 102-587; Oceans Act of 1992, Title VII

Tuna Convention Act, 16 U.S.C. §§ 951 et seq.

South Pacific Tuna Act of 1988, 16 U.S.C. §§ 973 et seq.

Northern Pacific Halibut Act of 1982, 16 U.S.C. §§ 773 et seq.

Atlantic Tunas Convention Act, 16 U.S.C. §§ 971 et seq.

Antarctic Marine Living Resources Convention Act of 1984, 16 U.S.C. §§ 2431 et seq.

Pacific Salmon Treaty Act of 1985, 16 U.S.C. §§ 3631 et seq.

American Fisheries Act, 46 U.S.C. § 12102(c) and 46 U.S.C.

§ 31322(a)

Sector: Services Related to Air Transportation

Obligations concerned: National Treatment (Article 10.3)

Local Presence (Article 10.6)

Most-Favored-Nation Treatment (Article 10.4)

Description: <u>Cross-Border Trade in Services</u>

The United States reserves the right to adopt or maintain any measure relating to the cross-border supply of airport operation services, computer reservation system services, ground handling services, and selling and marketing of air transport

services, as defined in 10.1.

Existing Measures: International Air Transportation Fair Competitive

Practices Act of 1974, as amended

Sector: Betting and Gambling

Obligations Concerned: National Treatment (Articles 9.4 and 10.3)

Market Access (Article 10.5) Local Presence (Article 10.6)

Performance Requirements (Article II.9)

Senior Management and Boards of Directors (Article 9.10)

Description: <u>Cross-Border Trade in Services and Investment</u>

The United States reserves the right to adopt or maintain any measure relating to betting and gambling services.

Sector: All

Obligations Concerned: Market Access (Article 10.5)

Description: <u>Cross-Border Trade in Services</u>

The United States reserves the right to adopt or maintain any measure that is not inconsistent with the United States' obligations under Article XVI of the General Agreement on Trade in Services as set out in the U.S. Schedule of Specific Commitments under the GATS (GATS/SC/90, GATS/SC/90/Suppl.1, GATS/SC/90/Suppl.2, and GATS/SC/90/Suppl.3).

For purposes of this entry only, the U.S. Schedule of Specific Commitments is modified as indicated in Appendix II-A.

ΑII

Obligations Concerned:	Most-Favored-Nation Treatment (Articles 9.4 and 10.3)
Description:	Cross-Border Trade in Services and Investment
The U	nited States reserves the right to adopt or maintain any measure that accords differential treatment to countries under any bilateral or multilateral international agreement in force or signed prior to the date of entry into force of this Agreement.
	The United States reserves the right to adopt or maintain any measure that accords differential treatment to countries under any bilateral or multilateral international agreement in force or signed after the date of entry into force of this Agreement

(a) aviation;

involving:

Sector:

- (b) fisheries;
 - (c) maritime matters, including salvage; or
 - (d) launch of satellites in the international commercial space launch market. 1.

¹ The United States will implement item (d) consistent with its MFN exemption for space transportation under the GATS.

Appendix II-A

For the following Sectors, U.S. obligations under Article XVI of the General Agreement on Trade in Services as set out in the U.S. Schedule of Specific Commitments under the GATS (GATS/SC/90, GATS/SC/90/Suppl.1, GATS/SC/90/Suppl.2, and GATS/SC/90/Suppl.3) are improved as described.

Sector/Subsector	Market Access Improvements
Foreign Legal Consulting Services	Insert new commitments for the following states:
	Louisiana, New Mexico: No limitations for modes 1-3 and mode 4 "Unbound, except as indicated in the horizontal section."
	Arizona, Indiana, Massachusetts, North Carolina, Utah: No limitations modes 1-2; for mode 3 "in-state law office required," and mode 4 "Unbound, except as indicated in the horizontal section. Additionally, an in-state law office required."
	Missouri: No limitations modes 1-2; for mode 3 "Association with in-state law office required," and mode 4 "Unbound, except as indicated in the horizontal section. Additionally, association with an in-state law office required."
Accounting, Auditing and Bookkeeping Services	Modify mode 3 limitation as follows: Sole proprietorships or partnerships are limited to persons licensed as accountants, except in lowa where accounting firms must incorporate
	Modify mode 4 limitation as follows: In addition, an in-state office must be maintained for licensure in to receive a license to perform audits in:
Engineering Services Integrated Engineering Services	Replace existing description of Mode 4 with "Unbound, except as indicated in the horizontal section."
Research and development services: R&D services on natural sciences, social sciences and humanities, and interdisciplinary R&D services, excluding R&D financed in whole or in part by public funds	Insert new commitments with no limitations for modes 1-3 and mode 4 "Unbound, except as indicated in the horizontal section."
Technical testing and analysis services, other	Insert new commitments with no limitations

Sector/Subsector	Market Access Improvements
than government-mandated services or services financed in whole or in part by public funds	for modes 1-3 and mode 4 "Unbound, except as indicated in the horizontal section."
Other business services: Other	Insert new commitments for "Other" under "Other business services" with no limitations for modes 1-3 and mode 4 "Unbound, except as indicated in the horizontal section."
Express Delivery Services (as defined in the FTA annex)	Insert new commitments with no limitations for modes 1-3 and mode 4 "Unbound, except as indicated in the horizontal section."
Other Delivery Services	Insert new commitments with no limitations for modes 1-3 and mode 4 "Unbound, except as indicated in the horizontal section."
Multi-channel video services over provider- owned cable systems	Insert new commitments with no limitations for modes 1-3 and mode 4 "Unbound, except as indicated in the horizontal section."
Information services (the offering of a capability for generating, acquiring, storing transforming, processing, retrieving, utilizing, or making available information via telecommunications, and includes electronic publishing)	Insert new commitments with no limitations for modes 1-3 and mode 4 "Unbound, except as indicated in the horizontal section."
Higher Education Services (except flying instruction). ²	Insert new commitments with no limitations for modes 1-3 and mode 4 "Unbound, except as indicated in the horizontal section."
Motion Picture & Video Tape Home Video	Insert commitments according to this revised

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² For transparency purposes, individual U.S. institutions maintain autonomy in admission policies, in setting tuition rates, and in the development of curricula or course content. Educational and training entities must comply with requirements of the jurisdiction in which the facility is established. In some jurisdictions, accreditation of institutions or programs may be required. Institutions maintain autonomy in selecting the jurisdiction in which they will operate, and institutions and programs maintain autonomy in choosing to meet standards set by accrediting organizations as well as to continue accredited status. Accrediting organizations maintain autonomy in setting accreditation standards. Tuition rates vary for in-state and out-of-state residents. Additionally, admissions policies include considerations of equal opportunity for students (regardless of race, ethnicity, or gender), as permitted by domestic law, as well as recognition by regional, national, and/or specialty organizations; and required standards must be met to obtain and maintain accreditation. To participate in the U.S. student loan program, foreign institutions established in the United States are subject to the same requirements as U.S. institutions.

Sector/Subsector	Market Access Improvements
Entertainment Production and Distribution	classification with no limitations for modes 1-3 and mode 4 "Unbound, except as indicated in
Promotion or advertising services Motion picture or video tape. ³ production services	the horizontal section."
Motion picture or video tape. distribution services	
Other services in connection with motion pictures and video tape ³ production and distribution	
Motion Picture Projection Services	
Radio and Television Services	
Radio and Television Distribution Services	
Other services in connection with motion pictures and video tape ³ production and distribution. ⁴	
Environmental Services	Insert commitments according to this revised classification with no limitations for modes 1-3
Wastewater Management, excluding Water for Human Use (Wastewater services (contracted by private industry))	and mode 4 "Unbound, except as indicated in the horizontal section."
Solid/hazardous waste management (contracted by private industry)	
Refuse disposal services	
Sanitation and Similar Services	
Protection of ambient air and climate	

³ For purposes of clarity, this class refers to theatrical and non-theatrical motion pictures, whether provided on fixed media or electronically.

⁴ For greater clarity, distribution services in this context may include the licensing of motion pictures or video tapes to other service providers for exhibition, broadcasting, or other transmission, rental, sale or other use.

Sector/Subsector	Market Access Improvements
(Services to reduce exhaust gases and other emissions to improve air quality)	
Remediation and cleanup of soil and water (Treatment, remediation of contaminated/polluted soil and water) Noise and vibration abatement (Noise abatement services)	
Protection of biodiversity and landscape (Nature and landscape protection services)	
Other environmental and ancillary services (Other services not classified elsewhere)	
Physical well-being services. ⁵ . ⁶	Insert new commitments with no limitations for modes 1-3 and mode 4 "Unbound, except as indicated in the horizontal section."
Road freight transport	Insert new commitments for domestic transportation with no limitations for modes 1-3 and mode 4 "Unbound, except as indicated in the horizontal section."
Cargo-handling services, Storage and warehouse services, and Freight transport agency services, except maritime or air transport services	Insert new commitments with no limitations for modes 1-3 and mode 4 "Unbound, except as indicated in the horizontal section."

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⁵ For transparency purposes, this subsector includes physical well-being services such as delivered by, *inter alia*, fitness centers, spas, salons, massage (excluding therapeutic massage), and ayurvedics. This subsector does not include regulated medical services.

⁶ For greater certainty, nothing in this commitment authorizes the provision of unregulated substances or affects the ability of state authorities to regulate substances that may be affiliated with these services.