Annex I

Schedule of the Interchange Association

Reservations for Measures referred to in paragraph 1 of Article 8

1. This Schedule sets out with respect to the Interchange Association, pursuant to paragraph 1 of Article 8, the existing measures that are not covered by the following provisions of this Arrangement:

(a) Article 3;

(b) Article 4; or

(c) Article 7.

2. Each schedule entry sets out the following elements:

- (a) "Sector" refers to the general sector for which the entry is made;
- (b) "Sub-Sector" refers to the specific sector for which the entry is made;
- (c) "Industry Classification" refers, where applicable, and only for transparency purposes, to the activities covered by the entry according to the relevant industry classification codes. In this regard, "JSIC" means Japan Standard Industrial Classification set out by the Ministry of Internal Affairs and Communications, and revised on November 6, 2007;
- (d) "Provisions Concerned" specifies the provisions referred to in paragraph 1 for which the entry is made;
- (e) "Level of Authority" indicates the level of the authorities maintaining the measure(s) for which the entry is made;
- (f) "Measures" identifies the existing laws, regulations or other measures for which the entry is made. A measure cited in the "Measures" element:
 - (i) means the measure as amended, continued, or renewed as of the date of entry into force of this Arrangement; and

(ii) includes any subordinate measure adopted or maintained under the authority of and consistent with the measure; and

(g) "Description" illustrates, with regard to the provisions referred to in paragraph 1, the nonconforming aspects of the existing measures for which the entry is made.

In the interpretation of each entry, all 3. elements of the entry shall be considered. Each entry shall be interpreted in the light of the relevant provisions of this Arrangement for which the entry is made. The "Measures" element shall prevail over all the other elements.

For the purposes of this schedule, when the 4. term "foreign" is employed, it refers to something belonging to or coming from, or to characteristics of, other country or region than Japan.

1 Sector: Agriculture, Forestry and Fisheries (Plant Breeder's Right) Sub-Sector: Industry JSIC 0119 Miscellaneous crop Classification: farming JSIC 0243 Tree seed gathering and forest nursery services JSIC 0413 Seaweed aquaculture JSIC 0415 Seed aquaculture Provisions Article 3 Concerned: Article 4 Level of Central Authority Authority: Measures: Seeds and Seedlings Law (Law No. 83 of 1998), Article 10 Description: A foreign person who has neither a domicile nor residence (nor the place of business, in the case of a legal person) in Japan cannot enjoy a plant breeder's right or related rights except in any of the following cases: (a) where the country or region of which the person is a national or citizen or the country or region in which the person has a domicile or residence (or its place of business, in the case of a legal person) is a contracting party to the International Convention for the Protection of New Varieties of Plants of December 2, 1961, as Revised at Geneva on November 10, 1972, on October 23, 1978, and on March 19, 1991;

(b) where the country or region of which the person is a national or citizen or the country or region in which the person has a domicile or residence (or its place of business, in the case of a legal person) is a contracting party to the International Convention for the Protection of New Varieties of Plants of December 2, 1961, as Revised at Geneva on November 10, 1972, and on October 23, 1978 (hereinafter referred to in this Annex as "the 1978 UPOV Convention"), or a country or region in relation with which Japan shall apply the 1978 UPOV Convention in accordance with paragraph (2) of Article 34 of the 1978 UPOV Convention, and further provides the protection for plant genus and species to which the person's applied variety belongs; or (c) where the country or region of which the person is a national or citizen provides Japanese nationals with the protection of varieties under the same condition as its own nationals or citizens (including a country or region which provides such protection for Japanese nationals under the condition that Japan allows enjoyment of the plant breeder's right or related rights for the nationals or

citizens of that country or

provides the protection for plant genus and species to which the person's applied

region), and further

variety belongs.

2	Sector:	Finance		
	Sub-Sector:	Banking		
	Industry Classification:	JSIC 622	Banks, except central bank	
		JSIC 631	Financial institutions for small-businesses	
	Provisions Concerned:	Article 3		
	Level of Authority:	Central Authority Deposit Insurance Law (Law N 34 of 1971), Article 2		
	Measures:			
	Description:	institutions head offices jurisdiction deposit insur	which have their within the of Japan. The ance system does osits taken by	

				4	Sector:	Informat:
	3	Sector:	Heat Supply		Sub-Sector:	Telecomm
		Sub-Sector:			Industry Classification:	JSIC 3700
		Industry Classification:	JSIC 3511 Heat supply		classification.	
		Provisions Concerned:	Article 3			JSIC 3711
		Level of Authority:	Central Authority			JSIC 3731
		Measures:	Foreign Exchange and Foreign Trade Law (Law No. 228 of		Provisions	
			1949), Article 27		Concerned:	Article 3
			Cabinet Order on Foreign Direct Investment (Cabinet Order No. 261 of 1980), Article 3		Level of	Article 7 Central A
		Description:	The prior notification		Authority:	
		Description.	requirement under the Foreign Exchange and Foreign Trade Law applies to foreign investors		Measures:	Law Conce and Telep 85 of 198
			who intend to make investments in heat supply industry in Japan.		Deścription:	 Nipp Telephone enter the register aggregate voting ri indirectl forth in (c) reach
						(a) a na have
						(b) a fo auth repr
						(c) a for fore
						2. Any mothave a not have a not assume or auditor Telephone Telegraph Corporation and Telephone

tion and Communications

munications

- 00 Head offices primarily engaged in managerial operations
- 11 Regional telecommunications, except wire broadcast telephones
- 31 Services incidental to telecommunications
- 3
- 7
- Authority

cerning Nippon Telegraph ephone Corporation (Law No. 984), Articles 6 and 10

ppon Telegraph and the Corporation may not the name and address in its of shareholders if the te of the ratio of the rights directly and/or thy held by the persons set the subparagraphs (a) through thes or exceeds one third:

natural person who does not we Japanese nationality;

oreign government or hority or its presentative; and

oreign legal person or a eign entity.

natural person who does Japanese nationality may me the office of director or of Nippon Telegraph and Corporation, Nippon h and Telephone East ion and Nippon Telegraph phone West Corporation.

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5	Sector:	Information	and Communications	6	Sector:	Manufactur
	Sub-Sector:	Telecommunic Based Servic	cations and Internet ces		Sub-Sector:	Drugs and Manufactur
	Industry Classification:	JSIC 3711	Regional telecommunications, except wire broadcast telephones		Industry Classification:	JSIC 1653
		JSIC 3712	Long-distance telecommunications		Provisions Concerned:	Article 3
		JSIC 3719	Miscellaneous fixed telecommunications		Level of Authority:	Central Au
		JSIC 3721	Mobile telecommunications		Measures:	Foreign Ex Trade Law Article 27
		JSIC 401	Internet based services			Cabinet Or Investment 261 of 198
		the r 3711, 401 a activ to th oblig under Teleo	activities covered by reservation under JSIC 3712, 3719, 3721 or are limited to the vities which are subject he registration gation Article 9 of the communications Business (Law No. 86 of 1984).		Description:	The prior manufacture Exchange and applies to intend to manufacture For greaten "biological manufacture manufacture
	Provisions Concerned:	Article 3				with econor establishme produces va
	Level of Authority:	Central Aut	hority			antitoxin a similar to products, o
	Measures:	Foreign Exc Trade Law (Article 27	hange and Foreign Law No. 228 of 1949),			
		Cabinet Ord Investment of 1980), A	er on Foreign Direct (Cabinet Order No. 261 Article 3			
	Description:	under the F Foreign Tra foreign inv make invest telecommuni	otification requirement Foreign Exchange and ade Law applies to restors who intend to ments in cations business and ased services in Japan.			

uring

d Medicines uring

Biological preparations

Authority

Exchange and Foreign w (Law No. 228 of 1949), 27

Order on Foreign Direct nt (Cabinet Order No. 980), Article 3

notification ent under the Foreign and Foreign Trade Law to foreign investors who make investments in al preparations ter certainty, cal preparations uring industry" deals nomic activities in an ment which mainly vaccine, serum, toxoid, and some preparations to the aforementioned or blood products.

7	Sector:	Manufacturin	ng		Note 2: Th
	Sub-Sector:	Leather and Manufacturir	Leather Products ng		by JS th to
	Industry Classification:	JSIC 1189	Textile apparel and accessories, n.e.c.		an ma
		JSIC 1694	Gelatine and adhesives	Provisions Concerned:	Article 3
		JSIC 192	Rubber and plastic footwear and its findings	Level of Authority:	Central Aut
		JSIC 2011	Leather tanning and finishing	Measures:	Foreign Exc Trade Law (Article 27
		JSIC 2021	Mechanical leather products, except gloves and mittens	Description:	Cabinet Ord Investment 261 of 1980
		JSIC 2031	Cut stock and findings for boots and shoes	bebeription.	The prior n requirement Exchange an
		JSIC 2041	Leather footwear		applies to intend to m leather and
		JSIC 2051	Leather gloves and mittens		manufacturi
		JSIC 2061	Baggage		
		JSIC 207	Handbags and small leather cases		
		JSIC 2081	Fur skins		
		JSIC 2099	Miscellaneous leather products		
		JSIC 3253	Sporting and athletic goods		
		by JS li ac le	the reservation under The reservation under TC 1189 or 3253 are mited to the ctivities related to eather and leather coducts manufacturing.		

The activities covered by the reservation under JSIC 1694 are limited to the activities related to animal glue (nikawa) and gelatine manufacturing.

uthority

Exchange and Foreign 7 (Law No. 228 of 1949),

order on Foreign Direct t (Cabinet Order No. 80), Article 3

notification nt under the Foreign and Foreign Trade Law o foreign investors who make investments in nd leather products ring industry in Japan.

8 Sector: Matters Related to the Nationality of a Ship Sub-Sector:

Article 3

Article 7

Sub-Sector.

Industry Classification:

Provisions Concerned:

Level of Authority:

Measures:

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

Central Authority

Description: The Japanese nationality shall be given to a ship whose owner is a Japanese national, or a company established under Japanese law, of which all the representatives and not less than two-thirds of the executives administering the affairs are Japanese nationals. 9 Sector: Mining Sub-Sector: Industry JSIC 05 Mining and Classification: quarrying of stone and gravel Provisions Concerned: Article 3 Level of Central Authority Authority: Measures: Mining Law (Law No. 289 of 1950), Chapters 2 and 3 Description: Only a Japanese national or a Japanese legal person may have mining rights or mining lease rights.

10	Sector:	Oil Industry		Level of Authority:	Central
	Sub-Sector:			Measures:	Foreign
	Industry Classification:	JSIC 053	Crude petroleum and natural gas production	neusares.	Trade La 1949), A
		JSIC 1711	Petroleum refining		Cabinet Investme 261
		JSIC 1721	Lubricating oils and greases (not made in petroleum refineries)	Description:	of 1980) The prio requirem
		JSIC 1741	Paving materials		Exchange applies who inter
		JSIC 1799	Miscellaneous petroleum and coal products		in oil in organic ethylene polycarbo
		JSIC 4711 warehousing	Ordinary		scope of Therefore under the
		JSIC 4721	Refrigerated warehousing		Foreign ' required the manu:
		JSIC 5331	Petroleum		products
		JSIC 6051	Petrol stations (gasoline service stations)		
		JSIC 6052	Fuel stores, except gasoline service stations		
		JSIC 9299	Miscellaneous business services, n.e.c.		
		by un 47 li ac	the activities covered the reservation der JSIC 1741, 1799, 711, 4721 or 6052 are mited to the ctivities related to il industry.		
		by ur l: ac	he activities covered y the reservation hder JSIC 9299 are imited to the ctivities related to iquefied petroleum as industry.		
	Provisions Concerned:	Article 3			

L Authority

h Exchange and Foreign Law (Law No. 228 of Article 27

order on Foreign Direct (Cabinet Order No.

), Article 3

or notification ement under the Foreign ge and Foreign Trade Law s to foreign investors end to make investments industry in Japan. All c chemicals such as ne, ethylene glycol and cbonates are outside the of the oil industry. ore, prior notification the Foreign Exchange and n Trade Law is not ed for the investments in nufacture of these cs. 11 Sector: Agriculture, Forestry and Fisheries, and Related Services (except Fisheries within the Territorial Sea, Internal Waters, Exclusive Economic Zone and Continental Shelf provided for in the reservation No.6 in the Schedule of the Interchange Association in Annex II)

Sub-Sector:

Industry Classification:	JSIC 01	Agriculture
Classification:	JSIC 02	Forestry
	JSIC 03	Fisheries, except aquaculture
	JSIC 04	Aquaculture
	JSIC 6324	Agricultural cooperatives
	JSIC 6325	Fishery and fishery processing cooperatives
	JSIC 871	Agriculture, forestry and fisheries cooperative associations, n.e.c.
Provisions	Article 3	

Provisions Concerned: Article 3

Level of Authority: Central Authority

Measures: Foreign Exchange and Foreign Trade Law (Law No. 228 of

1949), Article 27

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

The prior notification requirement under the Foreign Exchange and Foreign Trade Law applies to foreign investors who intend to make investments in agriculture, forestry and fisheries, and related services (except fisheries within the territorial sea, internal waters, exclusive economic zone and continental shelf provided for in the entry No. 6 in the Schedule of the Interchange Association in Annex II) in Japan.

12	Sector:	Security Guard Services	 13	Sector:	Tra	insport
	Sub-Sector:			Sub-Sector:	Air	Trans
	Industry Classification:	JSIC 9231 Guard services		Industry Classification:	JSI	C 4600
	Provisions Concerned:	Article 3			тот	0 4 6 1 1
	Level of Authority:	Central Authority		Provisions		C 4611
	Measures:	Foreign Exchange and Foreign Trade Law (Law No. 228 of		Concerned:	Art	icle 4
		1949), Article 27			Art	icle 7
		Cabinet Order on Foreign Direct Investment (Cabinet Order No. 261 of 1980), Article 3		Level of Authority:	Cen	tral A
	Description:	The prior notification requirement under the Foreign		Measures:	Tra	eign E de Law 9), Ar
		Exchange and Foreign Trade Law applies to foreign investors who intend to make investments in security guard services in Japan.			Dir Ord	inet C ect In er No. icle 3
						il Aer of 19
				Description:	Excl app who	The uireme hange lies t inten air tr an.
					Infr Tour trar Japa grar natu	Perm ister castru cism f isport anese ited to aral po ying
					(a)	a nat not l natio
					(b)	a for regio publ: equiv

ort

nsport

- 500 Head offices primarily engaged in managerial operations
- Air transport
- 3
- 4
- 7
- Authority

Exchange and Foreign aw (Law No. 228 of Article 27

Order on Foreign Investment (Cabinet o. 261 of 1980), 3

eronautics Law (Law No. 1952), Chapters 7 and 8

e prior notification ment under the Foreign e and Foreign Trade Law to foreign investors end to make investments transport business in

rmission of the r of Land, ructure, Transport and for conducting air rt business as a e air carrier is not to the following persons or entities g for the permission:

atural person who does have Japanese ionality;

foreign country or gion, or a foreign plic entity or its givalent;

- (c) a legal person or other entity constituted under the laws of any foreign country or region; and
- (d) a legal person represented by the natural persons or entities referred to in subparagraph (a), (b) or (c); a legal person of which more than one-third of the members of the board of directors are composed of the natural persons or entities referred to in subparagraph (a), (b) or (c); or a legal person of which more than one-third of the voting rights are held by the natural persons or entities referred to in subparagraph (a), (b) or (C) .

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

3. A Japanese air carrier or a company having substantial control over such air carrier, such as a holding company, may reject the request from a natural person or an entity set forth in subparagraphs 2(a) through (c), who owns equity investments in such air carrier or company, to enter its name and address in the register of shareholders, in the event such air carrier or company falls into a legal person referred to in subparagraph 2(d) by accepting such request.

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

5. Permission of the Minister of Land. Infrastructure, Transport and Tourism is required for the use of foreign aircraft for air transportation of passengers or cargoes to and from Japan for remuneration.

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

14	Sector:	Transport			(d) a leg by th
	Sub-Sector:	Air Transpor	t		entit
	Industry Classification:	JSIC 4600	Head offices primarily engaged in managerial operations		subpa (c); which of th board
		JSIC 4621	Aircraft service, except air transport		compo perso refer subpa
	Provisions Concerned:	Article 3			(c); which
		Article 7			held b
	Level of Authority:	Central Auth	nority		person refern subpan
	Measures:	Foreign Exch Trade Law (] 1949), Artic	nange and Foreign Law No. 228 of cle 27		(c). In the ever conducting
		Investment	er on Foreign Direct (Cabinet Order No.), Article 3		falls into an entity n subparagrap the permiss effect. Th
		231 of 1952	autics Law (Law No.), Chapters 7 and 8		permission companies, companies,
	Description:	requirement Exchange an applies to who intend	ior notification under the Foreign d Foreign Trade Law foreign investors to make investments ork business in		substantial person cond business. 3. A fore be used for points with
		of Land, In Transport a conducting is not gran natural per	sion of the Minister frastructure, nd Tourism for aerial work business ted to the following sons or entities or the permission:		
		not ha	aral person who does ave Japanese mality;		
		region	eign country or n, or a foreign c entity or its alent;		
		entity	al person or other y constituted under		

the laws of any foreign country or region; and

egal person represented the natural persons or ities referred to in paragraph (a), (b) or a legal person of ch more than one-third the members of the d of directors are osed of the natural ons or entities erred to in aragraph (a), (b) or or a legal person of th more than one-third he voting rights are by the natural ons or entities rred to in paragraph (a), (b) or

vent a person ng aerial work business to a natural person or y referred to in raphs (a) through (d), ission will lose its The conditions for the on also apply to s, such as holding s, which have ial control over the onducting aerial work .

oreign aircraft may not for a flight between ithin Japan.

15	Sector:	Transport		16	Sector:	Transport
	Sub-Sector: Industry	Air Transport (Registration of Aircraft in the National Register)			Sub-Sector:	Freight Fo (excluding business u transporta
	Classification:					TOTO 4441
	Provisions Concerned:	Article 3			Industry Classification:	JSIC 4441
		Article 7				JSIC 4821
	Level of Authority:	Central Authority				JSIC 4021
	Measures:	Civil Aeronautics Law (Law No. 231 of 1952), Chapter 2			-	Article 3
	Description:	 An aircraft owned by any of the following natural 			Provisions Concerned:	Article 3 Article 4
		persons or entities may not be registered in the national				Article 7
		register: (a) a natural person who does			Level of Authority:	Central Au
		not have Japanese nationality;			Measures:	Freight Fo
		<pre>(b) a foreign country or region, or a foreign public entity or its equivalent;</pre>				2 through Enforcement Freight Fo
		(c) a legal person or other entity constituted under the laws of any foreign				(Minister Ministry 1990) The follo
		<pre>country or region; and (d) a legal person represented by the natural persons or entities referred to in subparagraph (a), (b) or (c); a legal person of whic more than one-third of the members of the board of directors are composed of the natural persons or entities referred to in subparagraph (a), (b) or (c); or a legal person of which more than one-third o the voting rights are held by the natural persons or entities referred to in subparagraph (a), (b) or (c).</pre>			Description:	or entities registered permission Minister Infrastru Tourism f forwardin internati registrat such perm shall be of recipr (a) a na not nati (b) a fo regi
		 A foreign aircraft may not be registered in the national register. 				publ equi

Forwarding Business ng freight forwarding using air tation)

- Collect-anddeliver freight transport
- Deliver freight 1 transport, except collect-anddeliver freight transport
- 3
- 4
- 7
- Authority

Forwarding Business Law 82 of 1989), Chapters nh 4

ent Regulation of Forwarding Business Law rial Ordinance of the of Transport No. 20 of

owing natural persons

are required to be red with, or to obtain on or approval of, the of Land, for conducting freight ing business using tional shipping. Such ation shall be made, or rmission or approval granted, on the basis procity:

natural person who does have Japanese ionality;

4

oreign country or gion, or a foreign olic entity or its ivalent;

- (c) a legal person or other entity constituted under the laws of any foreign country or region; and
- (d) a legal person represented by the natural persons or entities referred to in subparagraph (a), (b) or (c); a legal person of which more than one-third of the members of the board of directors are composed of the natural persons or entities referred to in subparagraph (a), (b) or (c); or a legal person of which more than one-third of the voting rights are held by the natural persons or entities referred to in subparagraph (a), (b) or (C).

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17	Sector:	Transport
	Sub-Sector:	Freight Fo (only frei business u transporta
	Industry Classification:	JSIC 4441
		JSIC 4821
	Provisions Concerned:	Article 3
		Article 4
		Article 7
	Level of Authority:	Central Au
	Measures:	Freight Fo (Law No. 8 2 through
	Decerintion	Enforcemen Freight Fo (Ministeri Ministry o 1990)
	Description:	1. The f persons or conduct fr business u transporta within Jap
		(a) a nat not h natio
		(b) a for regio entit
		(c) a leg entit the l count

orwarding Business ight forwarding using air ation)

- Collect-anddeliver freight transport
- Deliver freight transport, except collect-anddeliver freight transport

- uthority

orwarding Business Law 82 of 1989), Chapters 4

nt Regulation of orwarding Business Law ial Ordinance of the of Transport No. 20 of

- following natural r entities may not reight forwarding using air ation between points pan:
- tural person who does have Japanese onality;
- reign country or on, or foreign public ty or its equivalent;
- gal person or other ty constituted under laws of any foreign try or region; and

(d)	a legal person represented
(/	by the natural persons or
	entities referred to in
	subparagraph (a), (b) or
	<pre>(c); a legal person of</pre>
	which more than one-third
	of the members of the
	board of directors are
	composed of the natural
	persons or entities
	referred to in
	subparagraph (a), (b) or
	(c); or a legal person of
	which more than one-third
	of the voting rights are
	held by the natural
	persons or entities
	referred to in
	subparagraph (a), (b) or
	(c).

2. The natural persons or entities referred to in subparagraphs 1(a) through (d) are required to be registered with, or to obtain permission or approval of, the Minister of Land, Infrastructure, Transport and Tourism for conducting freight forwarding business using international air transportation. Such registration shall be made, or such permission or approval shall be granted, on the basis of reciprocity.

18	Sector:	Transport
	Sub-Sector:	Railway 2
	Industry	JSIC 421
	Classification:	JSIC 485:
	Provisions Concerned:	Article (
	Level of Authority:	Central A
	Measures:	Foreign H Trade Lav Article 2
		Cabinet (Investmer of 1980),
	Description:	The prior under the Foreign T investmen investmen industry of vehicl for the n is not in industry notificat Exchange not require the manuf

20

Transport

Transport

Railway transport

Railway facilities 1 services

3

Authority

Exchange and Foreign w (Law No. 228 of 1949), 27

Order on Foreign Direct ent (Cabinet Order No. 261 , Article 3

or notification requirement e Foreign Exchange and Trade Law applies to foreign s who intend to make ents in railway transport y in Japan. The manufacture les, parts and components railway transport industry Included in railway transport . Therefore, prior tion under the Foreign and Foreign Trade Law is ired for the investments in facture of these products.

			_			
19	Sector:	Transport		20	Sector:	Transport
	Sub-Sector:	Road Passenger Transport			Sub-Sector:	Water Tran
	Industry Classification:	JSIC 4311 Common omnibus	-		Industry	JSIC 452
		operators			Classification:	JSIC 453
	Provisions Concerned:	Article 3	- 14			JSIC 4542
	Level of Authority:	Central Authority			Provisions Concerned:	Article 3
	Measures:	Foreign Exchange and Foreign Trade Law (Law No. 228 of 1949), Article 27			Level of Authority:	Central Au
		Cabinet Order on Foreign Direct Investment (Cabinet Order No. 261 of 1980), Article 3			Measures:	Foreign Ex Trade Law Article 27
	Description:	The prior notification requirement under the Foreign Exchange and Foreign Trade Law				Cabinet Or Investment of 1980),
		applies to foreign investors who intend to make investments in omnibus industry in Japan. The manufacture of vehicles,			Description:	The prior under the Foreign Tr investors
		parts and components for omnibus industry is not included in omnibus industry. Therefore, prior notification under the Foreign Exchange and Foreign Trade Law is not	1			investment industry i certainty, industry" seagoing t transport
		required for the investments in the manufacture of these products.				between po water trar industry. seagoing t leasing ir ship leasi

ansport

- Coastwise transport
- Inland water transport
- Coastwise ship leasing

uthority

w (Law No. 228 of 1949), 27 Exchange and Foreign

Order on Foreign Direct t (Cabinet Order No. 261 Article 3

notification requirement Foreign Exchange and Frade Law applies to foreign who intend to make nts in water transport in Japan. For greater y, "water transport y, water transport " refers to oceangoing/ transport, coastwise t (i.e. maritime transport ports within Japan), inland ansport and ship leasing . However, oceangoing/ transport industry and ship industry excluding coastwise ship leasing industry are exempted from the prior notification requirement.

21	Sector:	Transport	22	Sector:	Water Sup
	Sub-Sector:	Water Transport		Sub-Sector:	
	Industry Classification:			Industry Classification:	JSIC 3611
	Provisions Concerned:	Article 3		Provisions Concerned:	Article 3
		Article 4		concerned.	
	Level of Authority:	Central Authority		Level of Authority:	Central A
	Measures:	Ship Law (Law No. 46 of 1899), Article 3		Measures:	Foreign E Law (Law
	Description:	Unless otherwise specified in the laws and regulations of Japan, or international agreements to which Japan is a			Cabinet C Investmen of 1980),
		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.		Description:	The prior under the Foreign T investors investmen waterwork

upply and Waterworks

11 Water for end users, except industrial users

3

Authority

Exchange and Foreign Trade w No. 228 of 1949), Article 27

Order on Foreign Direct ent (Cabinet Order No. 261), Article 3

for notification requirement the Foreign Exchange and In Trade Law applies to foreign fors who intend to make ments in water supply and forks industry in Japan.

Annex II

Schedule of the Interchange Association

Reservations for Measures referred to in paragraph 2 of Article 8

1. This Schedule sets out with respect to the Interchange Association, pursuant to paragraph 2 of Article 8, the reservations made by the Interchange Association with respect to specific sectors, subsectors or activities for which, the existing measures may be maintained, or new or more restrictive measures may be adopted that do not conform with the following provisions of this Arrangement:

- (a) Article 3;
- (b) Article 4; or
- (c) Article 7.

2. Each schedule entry sets out the following elements:

- (a) "Sector" refers to the general sector for which the entry is made;
- (b) "Sub-Sector" refers to the specific sector for which the entry is made;
- (c) "Industry Classification" refers, where applicable, and only for transparency purposes, to the activities covered by the entry according to the relevant industry classification codes. In this regard, "JSIC"means Japan Standard Industrial Classification set out by the Ministry of Internal Affairs and Communications, and revised on November 6, 2007;
- (d) "Provisions Concerned" specifies the provisions referred to in paragraph 1 for which the entry is made;
- "Description" illustrates the scope of the sector, sub-sector or activities covered by the entry; and
- (f) "Existing Measures" identifies, for transparency purposes, existing measures that apply to the sector, sub-sector or activities covered by the entry.

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

4. For the purposes of this schedule, when the term "foreign" is employed, it refers to something belonging to or confirm from, or to characteristics of, other country or region than Japan.

1	Sector:	All Sect	20
	Sub-Sector:		
	Industry Classification:		
	Provisions Concerned:	Article Article	
	Description:	When tr of the equ assets or a go	ii o
		in in T i	ne nt nv ai nv
			he
			an ex di er
	Existing Measures:		

ors

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ansferring or disposing

ity interests in, or the of, a state enterprise vernmental entity,

ne ownership of such iterests or assets by ivestors of the aiwanese Side or their ivestments may be cohibited or restricted;

he ability of investors f the Taiwanese Side or heir investments as wners of such interests r assets to control any esulting enterprise may be restricted; or

ny measure relating to the nationality of executives, managers or members of the board of directors of any resulting enterprise may be adopted or maintained.

Sector:	All Sectors		3	Sector:	Aerospace
Sub-Sector:				Sub-Sector:	Aircraft I
Industry Classification:					Space Indu
Provisions	Article 3			Industry Classification:	
Concerned:	Article 7			Provisions Concerned:	Article 3
				concerned.	Article 7
Description:	of telegraph services, postal services and betting and gambling services, manufacture of tobacco products, manufacture of Bank of Japan			Description:	Any measur in aircraf industry m maintained
	coinage in Japan, which are restricted to designated enterprises or governmental			Existing Measures:	Foreign Ex Trade Law Articles 2
	those other than the designated enterprises or governmental entities, or in the event where such designated enterprises or governmental entities no longer operate on a non-commercial basis, any measure relating to those activities may be adopted				Cabinet Or Investment of 1980),
Evicting	or maintained.				
	Sub-Sector: Industry Classification: Provisions Concerned: Description:	Sub-Sector: Industry Classification: Provisions Concerned: Article 3 Article 7 Description: In the event where the supply of telegraph services, postal services and betting and gambling services, manufacture of tobacco products, manufacture of Bank of Japan notes, minting and sale of coinage in Japan, which are restricted to designated enterprises or governmental entities, are liberalized to those other than the designated enterprises or governmental entities, or in the event where such designated enterprises or governmental entities no longer operate on a non-commercial basis, any measure relating to those activities may be adopted or maintained.	Sub-Sector: Industry Classification: Provisions Concerned: Article 3 Concerned: Description: In the event where the supply of telegraph services, postal services and betting and gambling services, manufacture of tobacco products, manufacture of Bank of Japan notes, minting and sale of coinage in Japan, which are restricted to designated enterprises or governmental entities, are liberalized to those other than the designated enterprises or governmental entities, or in the event where such designated enterprises or governmental entities no longer operate on a non-commercial basis, any measure relating to those activities may be adopted or maintained.	Sub-Sector: Industry Classification: Provisions Concerned: Article 3 Concerned: Article 7 Description: In the event where the supply of telegraph services, postal services and betting and gambling services, manufacture of tobacco products, manufacture of Bank of Japan notes, minting and sale of coinage in Japan, which are restricted to designated enterprises or governmental entities, are liberalized to those other than the designated enterprises or governmental entities, or in the event where such designated enterprises or governmental entities no longer operate on a non-commercial basis, any measure relating to those activities may be adopted or maintained.	Sub-Sector: Sub-Sector: Industry Classification: Industry Classification: Provisions Concerned: Article 3 Description: In the event where the supply of telegraph services, postal services and betting and gambling services, manufacture of tobacco products, manufacture of Bank of Japan notes, minting and sale of coinage in Japan, which are restricted to designated enterprises or governmental entities, are liberalized to those other than the designated enterprises or governmental entities, or in the event where such designated enterprises or governmental entities no longer operate on a non-commercial basis, any measure relating to those activities may be adopted or maintained. Sub-Sector:

Existing Measures:

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sure relating to investment raft industry and space y may be adopted or ned.

Exchange and Foreign aw (Law No. 228 of 1949), s 27 and 30

Order on Foreign Direct ent (Cabinet Order No. 261), Articles 3 and 5

				5	Sector:	Energy
4	Sector:	Arms and Explosives Industry	100		Sub-Sector:	Electrici
	Sub-Sector:	Arms Industry				Gas Utili
		Explosives Manufacturing Industry				Nuclear E
	Industry Classification:				Industry Classification:	
	Provisions	Article 3			Provisions Concerned:	Article 3
	Concerned:	Article 7			concerned.	Article 7
	Description:	Any measure relating to investment in arms industry and explosives manufacturing industry may be adopted or maintained.			Description:	Any measu investmen industry Sector" e or mainta
	Existing Measures:	Foreign Exchange and Foreign Trade Law (Law No. 228 of 1949), Articles 27 and 30			Existing Measures:	Foreign E Trade Law 1949), Ar
		Cabinet Order on Foreign Direct Investment (Cabinet Order No. 261 of 1980), Articles 3 and 5				Cabinet O Direct In Order No. of 1980),

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Energy Industry

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sure relating to ent in the energy y listed in the "Subelement may be adopted tained.

Exchange and Foreign aw (Law No. 228 of Articles 27 and 30

Order on Foreign Investment (Cabinet o. 261), Articles 3 and 5

6	Sector:	Fisheries					(e) prov othe
	Sub-Sector:	Waters, Exc.	ithin the Sea, Internal lusive Economic ntinental Shelf			Existing Measures:	fish Foreign E Trade Law
	Industry Classification:	JSIC 031	Marine fisheries				1949), Ar Cabinet C
		JSIC 032	Inland water fisheries				Direct In Order No. of 1980),
		JSIC 041	Marine aquaculture				Law for R Operation
		JSIC 042	Inland water aquaculture				(Law No. 3, 4 and
		JSIC 8093	Recreational fishing guide business				Law conce Sovereign Fisheries Economic
	Provisions Concerned:	Article 3					1996), Ar 10, 11, 1
		Article 4					
		Article 7					
	Description:	investment territorial waters, exc zone and co	relating to in fisheries in the sea, internal lusive economic ntinental shelf of e adopted or				
		entry, the means the w cultivation resources,	poses of this term "fisheries" ork of taking and of aquatic including the Eisheries related				
		resour	igation of aquatic ces without taking resources;				
		(b) luring resour	g of aquatic cces;				
			evation and ssing of fish es;				
		catche	portation of fish es and fish cts; and				

ovision of supplies to her vessels used for sheries.

Exchange and Foreign Jaw (Law No. 228 of Article 27

Order on Foreign Investment (Cabinet o. 261), Article 3

Regulation of Fishing on by Foreign Nationals . 60 of 1967), Articles d 6

acerning the Exercise of gn Rights concerning es in the Exclusive c Zones (Law No. 76 of Articles 4, 5, 7, 8, 9, 12 and 14

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7 Sector:	Information	and Communications		8	Sector:	Land Trans
Sub-Sector:	Broadcastin	g Industry			Sub-Sector:	
Industry Classification:	JSIC 380	Establishments engaged in administrative or ancillary economic			Industry Classification:	
		activities			Provisions Concerned:	Article 3
	JSIC 381	Public broadcasting, except cablecasting				Article 4
	, JSIC 382	Private-sector broadcasting, except cablecasting			Description:	With resp lease of prohibitio imposed b
	JSIC 383	Cablecasting				nationals,
Provisions Concerned:	Article 3					legal pers identical
concerned:	Article 7					restriction or region
Description:		relating to investment ting industry may be maintained.			Existing Measures:	Alien Lan Article 1
Existing Measures:		hange and Foreign Law No. 228 of 1949),				
	Cabinet Ord Investment of 1980), A	er on Foreign Direct (Cabinet Order No. 261 rticle 3				
	Radio Law (Article 5	Law No. 131 of 1950),	*			
		aw (Law No. 132 of 1950), , 116, 125, 159 and 161.				

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espect to the acquisition or of land properties in Japan, tions or restrictions may be by Cabinet Order on foreign als, citizens or legal where Japanese nationals or persons are placed under cal or similar prohibitions or ctions in the foreign country on.

and Law (Law No. 42 of 1925), 1

8 Sector: Matters Related to the Nationality of a Ship

Sub-Sector:

Industry Classification:

Provisions Concerned:

Article 7

Article 3

Level of Authority: Central Authority

Measures:

Description:

Article 1 The Japanese nationality shall be given to a ship whose owner

Ship Law (Law No. 46 of 1899),

is a Japanese national, or a company established under Japanese law, of which all the representatives and not less than two-thirds of the executives administering the affairs are Japanese nationals.