

Japan's Final Offer regarding Existing Measures, as of December 2017 covered by Sections on Cross-Border Trade in Services and Investment (and Section on Entry and Temporary Stay of Natural Persons).

WITHOUT PREJUDICE

**Disclaimer:** The negotiations between the EU and Japan on the Economic Partnership Agreement (the EPA) have been finalised. In view of the Commission's transparency policy, we are hereby publishing the texts of the EPA. The texts are published for information purposes only and may undergo further modifications following the process of legal revision.

The texts will be finalised upon signature and become binding upon the Parties under international law only after completion by each Party of its internal legal procedures necessary for the entry into force of the Agreement.

## Annex II

### Reservations for future measures

#### Schedule of Japan

##### Headnotes

1. The Schedule of a Party sets out, in accordance with Articles on Non-Conforming Measures of Sections on Cross-Border Trade in Services and Investment and Articles on Obligations in Other Sections of Section on Entry and Temporary Stay of Natural Persons, the reservations taken by Japan with respect to specific sectors, sub-sectors or activities for which it may maintain existing, or adopt new or more restrictive, measures that do not conform with obligations imposed by:

- (a) Articles on National Treatment of Sections on Cross-Border Trade in Services and Investment;
- (b) Articles on Most-Favoured-Nation Treatment of Sections on Cross-Border Trade in Services and Investment;
- (c) Article on Market Access of Sections on Cross-Border Trade in Services and Investment;
- (d) Article on Prohibition of Performance Requirements of Section on Investment; and
- (e) Article on Senior Management Board of Directors of Section on Investment.

2. Each reservation sets out the following elements:

- (a) "Sector" refers to the general sector in which the reservation is taken;
- (b) "Sub-Sector" refers to the specific sector in which the reservation is taken;

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- (c) "Industry Classification" refers, where applicable, and only for transparency purposes, to the activity covered by the reservation according to domestic or international industry classification codes;
  - (d) "Obligations Concerned" specifies the obligations referred to in paragraph 1 for which the reservation is taken;
  - (e) "Description" sets out the scope of the sectors, sub-sectors or activities covered by the reservation; and
  - (f) "Existing Measures" identifies, for transparency purposes, existing measures that apply to the sectors, sub-sectors or activities covered by the reservation.
3. In the interpretation of a reservation, all elements of the reservation shall be considered. The "Description" element shall prevail over all other elements.
4. With respect to Financial Services:
- (a) For prudential reasons within the context of Article [8] of Sub-Section [VI] (Financial Services) of Section [] (Regulatory Framework) of Chapter [] (Trade in Services, Investment and Electronic Commerce), Japan shall not be prevented from taking measures such as non-discriminatory limitations on juridical forms of a commercial presence. For the same reasons, Japan shall not be prevented from applying non-discriminatory limitations concerning admission to the market of new financial services which shall be consistent with a regulatory framework aimed at achieving such prudential objectives. In this context, securities firms are allowed to deal in securities defined in the relevant laws of Japan, and banks are not allowed to deal in those securities unless allowed in accordance with those laws.
  - (b) Services supplied in the [Area] of [the European Union or its Member States of the European Union] to the service consumer in Japan without any active marketing from the service supplier are considered as services supplied under subparagraph [(e)(ii)] of paragraph [5] of Article [1] of Section [I] (General Provisions) of Chapter [] (Trade in Services, Investment and Electronic Commerce).
5. With respect to maritime transport services, measures affecting cabotage in maritime transport services are not listed in this Schedule, as these are excluded from the scope of Section [X] (Cross-Border Trade in Services) of Chapter [] (Trade in Services, Investment and Electronic Commerce), pursuant to subparagraph 2(a) of Article [1] (Scope) of Section [X] (Cross-Border Trade in Services) and Section [Y] (Investment) of Chapter [] (Trade in Services, Investment and Electronic Commerce), pursuant to subparagraph 2(b) of Article [1] (Scope) of Section [Y] (Investment).

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6. Laws and regulations of Japan with regard to spectrum availability affecting obligations under Article [ ] (Market Access) of Section [X] (Cross-Border Trade in Services) [and of Section [Y] (Investment)] of Chapter [ ] (Trade in Services, Investment and Electronic Commerce) are not included in this Schedule of Japan, taking into account the Attachment 6 of Guidelines for the Scheduling of Specific Commitments (WTO Document S/L/92, dated March 28, 2001).
  
7. For the purposes of this Annex;
  - (a) "JSIC" means Japan Standard Industrial Classification set out by the Ministry of Internal Affairs and Communications, and revised on 30 October, 2013; and
  
  - (b) "CPC" means Provisional Central Product Classification (Statistical Papers Series M No. 77, Department of International Economic and Social Affairs, Statistical Office of the United Nations, New York, 1991).