

Annex X.I

Referred to in Chapter [X] (Cross-Border Trade in Services)
NON-CONFORMING MEASURES RELATING TO PARAGRAPH [1] OF
ARTICLE [X.7]

PART 1
SCHEDULE OF JAPAN

Section 1
Notes for Section 2

Drafting Note: Japan reserves the right to add, modify or withdraw the offer in this Annex on reservations in total or partially, and to make any change to this offer at any time before the conclusion of the negotiations. This initial offer does not include reservations for investments, mode 3 and financial services. The reservations are based on the draft text of "Chapter on Cross-Border Trade in Services" (latest draft 04/2017).

1. Section 2 of the Schedule of Japan sets out, in accordance with Article [X.7] (Cross-Border Trade in Services - Non-Conforming Measures), the reservations taken by Japan with respect to existing measures that do not conform with obligations imposed by:

- (a) Article [X.3] (Cross-Border Trade in Services - Market Access);
- (b) Article [X.4] (Cross-Border Trade in Services - National Treatment);
- (c) Article [X.5] (Cross-Border Trade in Services - Most-Favoured-Nation Treatment) ;
- (d) Article [X.6] (Cross-Border Trade in Services - Local Presence).

2. Each reservation sets out the following elements:

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

- (c) "Industry Classification" refers, where applicable, and only for transparency purposes, to the activity covered by the reservation according to domestic or international industry classification codes;
- (d) "Type of Reservation" specifies the obligations referred to in paragraph 1 for which the reservation is taken;
- (e) "Level of Government" indicates the level of government maintaining the measure for which the reservation is taken;
- (f) "Measures" identifies the existing laws, regulations or other measures 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; and
- (g) "Description" sets out, with regard to the obligations referred to in paragraph 1, the non-conforming aspects of the existing measures for which the reservation is taken.

3. In the interpretation of a reservation, all elements of the reservation shall be considered. A reservation shall be interpreted in the light of the relevant provisions of the Chapter against which the reservation is taken, and the "Measures" element shall prevail over all the other elements.

4. With respect to air transport services, measures affecting traffic rights or measures affecting services directly related to the exercise of traffic rights are not listed in this Schedule, as these are excluded from the scope of Chapter [X] (Cross-Border Trade in Services)

pursuant to subparagraph [2(b)] of Article [X.1] (Cross-Border Trade in Services - Scope).

5. Laws and regulations with regard to spectrum availability affecting obligations under Article [X.3] (Cross-Border Trade in Services - Market Access) are not included in this Schedule, taking into account the Attachment 6 of Guidelines for the Scheduling of Specific Commitments (WTO Document S/L/92, dated 28 March 2001).

6. For the purposes of this Part, the term "JSIC" means Japan Standard Industrial Classification set out by the Ministry of Internal Affairs and Communications, and revised on 30 October 2013.

Section 2

Sector: Automobile Maintenance Business

Sub-Sector: Motor Vehicle Disassembling Repair Business

Industry Classification: JSIC 89 Automobile maintenance services

Type of Reservation: Market Access (Article [X.3])
Local Presence (Article [X.6])

Level of Government: Central Government

Measures: Road Vehicle Law (Law No. 185 of 1951), Chapter 6

Description: Cross-Border Trade in 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.

Sector: Business Services

Sub-Sector:

Industry Classification: JSIC 9111 Employment services
JSIC 9121 Worker dispatching services

Type of Reservation: Market Access (Article [X.3])
Local Presence (Article [X.6])

Level of Government: Central Government

Measures: Employment Security Law (Law No. 141 of 1947), Chapters 3 and 3-3

Law concerning Securing the Proper Operation of Worker Dispatching Undertakings and Protecting 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

Law concerning the Improvement of Employment of Construction Workers (Law No. 33 of 1976), Chapters 5 and 6

Description: Cross-Border Trade in Services

A person who intends to supply the following services for enterprises in Japan is required to have an establishment in Japan and to obtain permission from, or to submit notification to, the competent authority, as applicable:

- (a) private job placement services including fee-charging job placement services for construction workers and job placement services for seafarers; or
- (b) worker dispatching services

including stevedore
dispatching services, mariner
dispatching services and work
opportunities securing
services for construction
workers.

Labour supply services may be
supplied only by a labour union which
has obtained permission from the
competent authority pursuant to the
Employment Security Law or Mariner's
Employment Security Law.

Sector: Collection Agency Services

Sub-Sector:

Industry Classification: JSIC 6619 Miscellaneous financial auxiliaries

JSIC 7299 Professional services, n.e.c.

Type of Reservation: Market Access (Article [X.3])

Local Presence (Article [X.6])

Level of Government: Central Government

Measures: Special Measures Law concerning Credit Management and Collection Business (Law No. 126 of 1998), Articles 3 and 4

Attorney Law (Law No. 205 of 1949), Articles 72 and 73

Description: Cross-Border Trade in Services

A person who intends to supply collection agency services which constitute the practice of law in respect of legal cases is required to be qualified as an attorney at law under the laws and regulations of Japan ("Bengoshi"), a legal professional corporation under the laws and regulations of Japan ("Bengoshi-hojin") or an enterprise established under the Special Measures Law concerning Credit Management and Collection Business and to establish an office in Japan.

No person may take over and recover other person's credits as business except an enterprise established under the Special Measures Law concerning Credit Management and Collection Business that handles credits pursuant to provisions of that Law.

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: Market Access (Article [X.3])

Local Presence (Article [X.6])

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 Trade in Services

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

Sector: Distribution Services

Sub-Sector: Wholesale Trade Services, Retailing Services, Commission Agents' Services, Related to Alcoholic Beverages

Industry Classification: JSIC 5222 Liquors
JSIC 5851 Liquor stores

Type of Reservation: Market Access (Article [X.3])

Level of Government: Central Government

Measures: Liquor Tax Law (Law No. 6 of 1953), Articles 9, 10 and 11

Description: Cross-Border Trade in Services

The number of licences conferred to service suppliers in those sub-sectors may be limited, where it is necessary to maintain a supply-demand balance of liquors in order to secure liquor tax revenue (paragraph 11 of Article 10 of the Liquor Tax Law).

Sector: Distribution Services

Sub-Sector: Wholesale Trade Services supplied at
Public Wholesale Market

Industry
Classification: JSIC 521 Agricultural, livestock and
aquatic products

Type of
Reservation: Market Access (Article [X.3])

Level of
Government: Central Government

Measures: Wholesale Market Law (Law No. 35 of
1971), Articles 9, 10, 15, 16, 17 and
33

Description: Cross-border Trade in Services

The number of licences conferred to
wholesale trade service suppliers at
public wholesale markets may be
limited, in cases where the public
wholesale markets set the maximum
number of the suppliers in order to
secure the proper and sound operation
of the public wholesale markets.

Sector: Education, Learning Support

Sub-Sector: Higher Educational Services

Industry Classification: JSIC 816 Institution of higher education

Type of Reservation: Market Access (Article [X.3])
Local Presence (Article [X.6])

Level of Government: Central Government

Measures: Fundamental Law of Education (Law No. 120 of 2006), Article 6

School Education Law (Law No. 26 of 1947), Article 2

Private School Law (Law No. 270 of 1949), Article 3

Description: Cross-border Trade in Services

Higher educational services supplied as formal education in Japan must be supplied by formal education institutions. Formal education institutions must be established by school juridical persons.

The term "formal education institutions" means elementary schools, lower secondary schools, compulsory education schools, secondary schools, upper secondary schools, universities, junior colleges, colleges of technology, special support schools, kindergartens and integrated centres for early childhood education and care.

The term "school juridical person" means a non-profit juridical person established for the purposes of supplying educational services under the law of Japan.

Sector: Manufacturing

Sub-Sector: Shipbuilding and Repairing, and Marine Engines

Industry Classification: JSIC 3131 Shipbuilding and repairing

Type of Reservation: Market Access (Article [X.3])

Level of Government: Central Government

Measures: Shipbuilding Law (Law No. 129 of 1950), Articles 2, 3 and 3-2

Description: Cross-Border Trade in Services

A person who intends to establish or extend docks, which can be used to manufacture or repair vessels of 500 gross tonnage or more and/or 50 metres in length or more, is required to obtain permission from the Minister of Land, Infrastructure, Transport and Tourism. The issuance of a licence is subject to the requirements of an economic needs test.

Sector: Matters Related to the Nationality of a Ship

Sub-Sector:

Industry Classification:

Type of Reservation: Market Access (Article [X.3])
National Treatment (Article [X.4])

Central Government

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

Measures: Cross-Border Trade in Services

Description: Nationality requirement applies to the supply of international maritime transport services (including services of passenger transportation and freight transportation) through establishment of a registered company operating a fleet flying the flag of Japan.

The term "nationality requirement" means that the ship must be owned by a Japanese national, or a company established under the laws and regulations of Japan, of which all the representatives and not less than two-thirds of the executives administering the affairs are Japanese nationals.

Sector: Measuring Services

Sub-Sector:

Industry Classification: JSIC 7441 Commodity inspection service
JSIC 745 Surveyor certification

Type of Reservation: Market Access (Article [X.3])
Local Presence (Article [X.6])

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 the 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 the Ministry
of International Trade and Industry
No. 72 of 1993)

Description: Cross-Border Trade in 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 a designated city or the chief of a 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 have an establishment in Japan and to be registered with the prefectural governor having jurisdiction over the district where the establishment is located.

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

Note: For the purposes of this reservation:

- (a) "measuring instruments" means appliances, machines or equipment used for measurement;
- (b) "specified measuring instruments" means measuring instruments used in transactions or certifications,

or measuring instruments principally for use in the life of general consumers, and those specified by a Cabinet Order as necessary to establish standards relating to their structure and instrumental error in order to ensure proper execution of measurements;

- (c) "measurement certification businesses" under the requirement described in paragraph 3 are listed in the following and the registration shall be in accordance with the business classification specified by the Ordinance of the Ministry of Economy, Trade and Industry:
- (i) the business of measurement certifications of length, weight, area, volume or heat concerning goods to be loaded/unloaded or entered/dispatched for transportation, deposit or sale or purchase (excluding the measurement certifications of mass or volume of goods to be loaded on or unloaded from ship); and
 - (ii) The business of measurement certifications of concentration, sound pressure level or the quantity of other physical phenomena specified by a Cabinet Order (excluding what is listed in (i));

however, this requirement shall not apply to the case where a person engaged in the measurement certification business is a national government, a local government, or an incorporated administrative agency prescribed by paragraph 1 of Article 2 of the Law on General Rules for Incorporated Administrative Agency (Law No. 103 of 1999) who is designated by a Cabinet Order as competent to appropriately perform

the measurement certification business, or where the measurement certification business is performed by a person who has been registered or designated or received any other disposition to conduct that business pursuant to the provision of the law specified by that Cabinet Order; and

- (d) "specified measurement certification business" means the business specified by a Cabinet Order as these requiring high levels of technology to certify measurement of considerably tiny quantities of physical phenomena prescribed in subparagraph (c) (ii) .

Sector: Medical, Health Care and Welfare

Sub-Sector:

Industry Classification: JSIC 8599 Miscellaneous social insurance, social welfare and care services

Type of reservation: Market Access (Article [X.3])
Local Presence (Article [X.6])

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 the Ministry of Labour No. 8 of 1972)

Description: Cross-Border Trade in 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 labour insurance businesses entrusted by business proprietors. An association which intends to conduct such labour 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.

Sector: Mining and Services incidental to Mining

Sub-Sector:

Industry Classification: JSIC 05 Mining and quarrying of stone and gravel

Type of Reservation: Market Access (Article [X.3])
National Treatment (Articles [X.4])
Local Presence (Article [X.6])

Level of Government: Central Government

Measures: Mining Law (Law No. 289 of 1950), Chapters 2 and 3

Description: Cross-Border Trade in Services

Only a Japanese national or an enterprise of Japan may have mining rights or mining lease rights.

Note: Services requiring mining rights or mining lease rights must be supplied by a Japanese national or an enterprise established under Japanese law, in accordance with the Chapters 2 and 3 of the Mining Law.

Sector: Professional Services

Sub-Sector:

Industry Classification: JSIC 7211 Lawyers' offices

Type of Reservation: Market Access (Article [X.3])
Local Presence (Article [X.6])

Level of Government: Central Government

Measures: Attorney Law (Law No. 205 of 1949),
Chapters 3, 4, 4-2, 5 and 9

Description: Cross-Border Trade in Services

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

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

Sector: Professional Services

Sub-Sector:

Industry Classification: JSIC 7211 Lawyers' offices

Type of Reservation: Market Access (Article [X.3])
Local Presence (Article [X.6])

Level of Government: Central Government

Measures: Law on Special Measures concerning the Handling of Legal Services by Foreign Lawyers (Law No. 66 of 1986), Chapters 2, 4 and 5

Description: Cross-Border Trade in Services

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

Gaikokuho-Jimu-Bengoshi under the laws and regulations of Japan is required to stay in Japan for not less than 180 days per year.

An enterprise which intends to supply legal advisory services concerning foreign laws is required to establish a registered foreign lawyer corporation under the laws and regulations of Japan ("Gaikokuho-Jimu-Bengoshi-Hojin") .

Sector: Professional Services

Sub-Sector:

Industry Classification: JSIC 7212 Patent attorneys' offices

Type of Reservation: Market Access (Article [X.3])
Local Presence (Article [X.6])

Level of Government: Central Government

Measures: Patent Attorney Law (Law No. 49 of 2000), Chapters 3, 6 and 8

Description: Cross-Border Trade in Services

A natural person who intends to supply patent attorney services is required to be qualified as a patent attorney under the laws and regulations of Japan ("Benrishi").

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-Gyomu-Hojin").

Sector: Professional Services

Sub-Sector:

Industry Classification: JSIC 7221 Notaries public's and
judicial scriveners' offices

Type of Reservation: Market Access (Article [X.3])
National Treatment (Article [X.4])
Local Presence (Article [X.6])

Level of Government: Central Government

Measures: Notary Law (Law No. 53 of 1908),
Chapters 2 and 3

Description: Cross-Border Trade in 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.

Sector: Professional Services

Sub-Sector:

Industry Classification: JSIC 7221 Notaries public's and
judicial scriveners' offices

Type of Reservation: Market Access (Article [X.3])
Local Presence (Article [X.6])

Level of Government: Central Government

Measures: Judicial Scrivener Law (Law No. 197 of
1950), Chapters 3, 4, 5, 7 and 10

Description: Cross-Border Trade in Services

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

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

Sector: Professional Services

Sub-Sector:

Industry Classification: JSIC 7241 Certified public accountants' offices

Type of Reservation: Market Access (Article [X.3])
Local Presence (Article [X.6])

Level of Government: Central Government

Measures: Certified Public Accountant Law (Law No. 103 of 1948), Chapters 3, 5-2 and 7

Description: Cross-Border Trade in Services

A natural person who intends to supply certified public accountants services is required to be qualified as a certified public accountant under the laws and regulations of Japan ("Koninkaikeishi").

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

Sector: Professional Services

Sub-Sector:

Industry Classification: JSIC 7242 Certified tax accountants' offices

Type of Reservation: Market Access (Article [X.3])
Local Presence (Article [X.6])

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 the Ministry of Finance No. 55 of 1951)

Description: Cross-Border Trade in Services

A natural person who intends to supply certified public tax accountant services is required to be qualified as a 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 to which the natural person belongs.

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").

Sector: Professional Services

Sub-Sector:

Industry Classification: JSIC 7231 Administrative scriveners' offices

JSIC 7294 Certified real estate appraisers

JSIC 7299 Professional services, n.e.c.

JSIC 7421 Architectural design services

Type of Reservation: Market Access (Article [X.3])

Local Presence (Article [X.6])

Level of Government: Central Government

Measures: Architect and/or Building Engineer Law (Law No. 202 of 1950), Chapters 1, 2 and 6

Description: Cross-Border Trade in 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 business 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.

Sector: Professional Services

Sub-Sector:

Industry Classification: JSIC 7251 Certified social insurance and labour consultants' offices

Type of Reservation: Market Access (Article [X.3])
Local Presence (Article [X.6])

Level of Government: Central Government

Measures: Certified Social Insurance and Labour Consultant Law (Law No. 89 of 1968), Chapters 2-2, 4-2, 4-3 and 5

Description: Cross-Border Trade in Services

A natural person who intends to supply social insurance and labour consultant services is required to be qualified as a certified social insurance and labour 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 labour consultant services is required to establish a certified social insurance and labour consultant corporation under the laws and regulations of Japan ("Shakai-Hoken-Romushi-Hojin").

Sector: Professional Services

Sub-Sector:

Industry Classification: JSIC 7231 Administrative scriveners' offices

Type of Reservation: Market Access (Article [X.3])
Local Presence (Article [X.6])

Level of Government: Central Government

Measures: Administrative Scrivener Law (Law No. 4 of 1951), Chapters 3, 4, 5 and 8

Description: Cross-Border Trade in Services

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

An enterprise which intends to supply administrative scrivener services is required to establish an administrative scrivener corporation under the laws and regulations of Japan ("Gyousei-Shoshi-Hojin").

Sector: Professional Services

Sub-Sector:

Industry Classification: JSIC 7299 Professional services
n.e.c.

Type of Reservation: Market Access (Article [X.3])

Level of Government: Central Government

Measures: Maritime Procedure Agents Law (Law No. 32 of 1951), Article 17

Description: Cross-Border Trade in Services

Maritime procedure agent services must be supplied by a natural person who is qualified as a maritime procedure agent under the laws and regulations of Japan ("Kaijidairishi").

Sector: Professional Services

Sub-Sector:

Industry Classification: JSIC 7222 Land and house surveyors' offices

Type of Reservation: Market Access (Article [X.3])
Local Presence (Article [X.6])

Level of Government: Central Government

Measures: Land and House Surveyor Law (Law No. 228 of 1950), Chapters 3, 4, 5, 7 and 10

Description: Cross-Border Trade in Services

A natural person who intends to supply land and house surveyor services is required to be qualified as a 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 to which the natural person belongs.

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").

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: Market Access (Article [X.3])

Local Presence (Article [X.6])

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), Chapters 2 and 4-2

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

Description: Cross-Border Trade in Services

1. A person who intends to conduct building lots and buildings transaction business is required to establish an office in Japan and to obtain a licence from the Minister of Land, Infrastructure, Transport and Tourism 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 business 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 or to submit

notification to the competent
Minister.

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

Sector: Real Estate Appraisal Services

Sub-Sector:

Industry Classification: JSIC 7294 Certified real estate appraisers

Type of Reservation: Market Access (Article [X.3])
Local Presence (Article [X.6])

Level of Government: Central Government

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

Description: Cross-Border Trade in 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, Transport and Tourism or the prefecture having jurisdiction over the district where the office is located.

Sector: Seafarers

Sub-Sector:

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

Type of Reservation: Market Access (Article [X.3])
National Treatment (Article [X.4])

Level of Government: Central Government

Measures: Mariners Law (Law No. 100 of 1947), Chapter 4

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 Trade in Services

Foreign nationals employed by Japanese enterprises except for the seafarers referred to in the relevant official notifications may not work on vessels flying the Japanese flag.

Sector: Services Related to Occupational Safety and Health

Sub-Sector:

Industry Classification: JSIC 7299 Professional services, n.e.c.

JSIC 7441 Commodity inspection services

JSIC 7452 Environmental surveying certification

JSIC 8222 Vocational guidance centers

Type of Reservation: Market Access (Article [X.3])

Local Presence (Article [X.6])

Level of Government: Central Government

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

Ministerial Ordinance for Registration and Designation related to Industrial Safety and Health Law, and Orders based on the Law (Ministerial Ordinance of the 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 the Ministry of Labour No. 20 of 1975)

Description: Cross-Border Trade in Services

A person who intends to supply inspection or verification services for working machines, skill training courses, 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 be registered with the Minister of Health, Labour and Welfare

Confidential

Drafted by Japan for JTEPA

Without Prejudice

or Director-General of the Prefectural
Labour Bureau.

Sector: Surveying Services

Sub-Sector:

Industry Classification: JSIC 7422 Surveying services

Type of Reservation: Market Access (Article [X.3])
Local Presence (Article [X.6])

Level of Government: Central Government

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

Description: Cross-Border Trade in Services

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

41 Sector: Transport

Sub-Sector: Air Transport

Industry Classification: JSIC 4600 Head offices primarily engaged in managerial operations

JSIC 4621 Aircraft service, except air transport

Type of Reservation: Market Access (Article[X.3])

National Treatment (Article[X.4])

Level of Government: Central Government

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

Description: Cross-Border Trade in Services

1. Permission of the Minister of Land, Infrastructure, Transport and Tourism for conducting aerial work business is not granted to the following natural persons or entities applying for the permission:

- (a) a natural person who does not have Japanese nationality;
- (b) a foreign country, or a foreign public entity or its equivalent;
- (c) a legal person or other entity constituted under the laws of any foreign country; and
- (d) a legal person represented by the natural persons or entities referred to in subparagraph (a), (b) or (c); a legal person of which more than one-third of the members of the board of directors are composed of the natural persons or entities referred to in subparagraph (a), (b) or (c); or a legal person of

which more than one-third of the voting rights are held by the natural persons or entities referred to in subparagraph (a), (b) or (c).

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

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

Sector: Transport

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

Industry Classification:

Type of Reservation: Market Access (Article [X.3])
National Treatment (Article [X.4])

Central Government

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

Measures: Cross-Border Trade in Services

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

- (a) a natural person who does not have Japanese nationality;
- (b) a foreign country, or a foreign public entity or its equivalent;
- (c) a legal person or other entity constituted under the laws of any foreign country; and
- (d) a legal person represented by the natural persons or entities referred to in subparagraph (a), (b) or (c); a legal person of which more than one-third of the members of the board of directors are composed of the natural persons or entities referred to in subparagraph (a), (b) or (c); or a legal person of which more than one-third of the voting rights are held by

the natural persons or
entities referred to in
subparagraph (a), (b) or (c).

2. A foreign aircraft may not be
registered in the national register.

Sector:	Transport
Sub-Sector:	Customs Brokerage
Industry Classification:	JSIC 4899 Services incidental to transport, n.e.c.
Type of Reservation:	Market Access (Article [X.3]) Local Presence (Article [X.6])
Level of Government:	Central Government
Measures:	Customs Brokerage Law (Law No. 122 of 1967), Chapter 2
Description:	Cross-Border Trade in Services A person who intends to conduct customs brokerage business 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 business.

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 Freight transport, except
collect-and-deliver freight
transport

Type of
Reservation: Market Access (Article [X.3])

National Treatment (Article [X.4])

Most-Favoured-Nation Treatment
(Article [X.5])

Local Presence (Article [X.6])

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 the Ministry of Transport
No. 20 of 1990), Chapters 3 through 5

Description: Cross-Border Trade in Services

1. The following natural persons or
entities are required to be registered
with, or to obtain permission or
approval of, the Minister of Land,
Infrastructure, Transport and Tourism
for conducting freight forwarding
business using international shipping.
Such registration shall be made, or
such permission or approval shall be
granted, on the basis of reciprocity:

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

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

(c) a legal person or other entity constituted under the laws and regulations of any foreign country; and

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

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

Sector: Transport

Sub-Sector: Road Transport

Industry Classification: JSIC 431 Common omnibus operators
JSIC 432 Common taxicab operators
JSIC 433 Contracted omnibus operators
JSIC 4391 Motor passenger transport (particularly-contracted)
JSIC 441 Common motor trucking
JSIC 442 Motor trucking (particularly-contracted)
JSIC 443 Mini-sized vehicle freight transport

Type of Reservation: Market Access (Article [X.3])
Local Presence (Article [X.6])

Level of Government: Central Government

Measures: Road Transport Law (Law No. 183 of 1951), Chapter 2
Special Measures Law concerning the Proper Management and Revitalization of the Taxi Business in Specified and Semi-specified Regions (Law No. 64 of 2009), Chapters 2 and 7 (hereinafter referred to in this reservation as "the Law")
Trucking Business Law (Law No. 83 of 1989), Chapter 2

Description: Cross-Border Trade in Services
1. A person who intends to conduct road passenger transport business or road freight transport business is required to establish a place of business in Japan, and to obtain permission of, or to submit notification to, the Minister of Land, Infrastructure, Transport and Tourism.

2. In respect of common taxicab operators business, the Minister of Land, Infrastructure, Transport and Tourism may not grant permission to a person who intends to conduct the businesses, or may not approve a modification of the business plan of such businesses in the "specified regions" and in the "semi-specified regions" designated by the Minister of Land, Infrastructure, Transport and Tourism. Such permission may be granted, or such modification of the business plan may be approved with respect to "semi-specified regions" when the standards set out in the Law are met, including those that the capacity of common taxicab operators businesses in that region does not exceed the volumes of the traffic demand.

Such designation would be made when the capacity of common taxicab transportation businesses in that region exceeds or is likely to exceed the volumes of traffic demand to the extent that it would become difficult to secure the safety of transportation and the benefits of passengers.

3. In respect of common motor trucking business or motor trucking business (particularly-contracted), the Minister of Land, Infrastructure, Transport and Tourism may not grant permission to a person who intends to conduct the businesses, or may not approve a modification of the business plan of such businesses, in the "emergency supply/demand adjustment area" designated by the Minister of Land, Infrastructure, Transport and Tourism. Such designation would be made when the capacity of common motor trucking businesses or motor trucking businesses (particularly-contracted) in that area has significantly exceeded the volumes of transportation demand to the extent that the operation of such businesses would become difficult.

Sector: Transport

Sub-Sector: Services incidental to Transport

Industry Classification: JSIC 4852 Fixed facilities for road transport

Type of Reservation: Market Access (Article [X.3])

Level of Government: Central Government

Measures: Road Transport Law (Law No. 183 of 1951), Chapter 4

Description: Cross-Border Trade in Services

A person who intends to conduct motorway businesses is required to obtain a licence from the Minister of Land, Infrastructure, Transport and Tourism. The issuance of a licence is subject to an economic needs test, such as whether the proposed motorway is appropriate in scale compared with the volume and nature of traffic demand in the proposed area.

Sector: Transport

Sub-Sector: Services incidental to Transport

Industry
Classification:

Type of
Reservation: Market Access (Article [X.3])
National Treatment (Article [X.4])
Local Presence (Article [X.6])

Level of
Government: Central Government

Measures: Pilotage Law (Law No. 121 of 1949),
Chapters 2, 3 and 4

Description: Cross-Border Trade in 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.

Sector:	Transport
Sub-Sector:	Water Transport
Industry Classification:	JSIC 451 Oceangoing transport
Type of Reservation:	Market Access (Article [X.3]) National Treatment (Article [X.4]) Most-Favoured-Nation Treatment (Article [X.5])
Level of Government:	Central Government
Measures:	Law concerning Special Measures against Unfavourable Treatment to Japanese Oceangoing Ship Operators by Foreign Government (Law No. 60 of 1977)
Description:	Cross-Border Trade in Services Turkish oceangoing ship operators may be restricted or prohibited from entering Japanese ports or from loading and unloading cargoes in Japan in cases where Japanese oceangoing ship operators are prejudiced by Turkey.

Sector: Transport

Sub-Sector: Water Transport

Industry
Classification:

Type of
Reservation: Market Access (Article [X.3])

National Treatment (Article [X.4])

Most-Favoured-Nation Treatment
(Article[X.5])

Level of
Government: Central Government

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

Description: Cross-Border Trade in 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.

Sector: Vocational Skills Test

Sub-Sector:

Industry
Classification:

Type of
Reservation: Market Access (Article [X.3])
Local Presence (Article [X.6])

Level of
Government: Central Government

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

Description: Cross-Border Trade in Services

Some of specific type of non-profit organization (the employers' organizations, their federations, general incorporated associations, general incorporated foundations, incorporated labour unions or miscellaneous incorporated non-profit organizations) can supply the service. Such organization 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.

Sector:	Wholesale and Retail Trade
Sub-Sector:	Livestock
Industry Classification:	JSIC 5219 Miscellaneous agricultural, livestock and aquatic products
Type of Reservation:	Local Presence (Article [X.6])
Level of Government:	Central Government
Measures:	Livestock Dealer Law (Law No. 208 of 1949), Article 3
Description:	Cross-Border Trade in Services A person who intends to conduct livestock trading business is required to be resident in Japan, and to obtain a licence from the prefectural governor having jurisdiction over the place of residence. For greater certainty, the term "livestock trading" means the trading or exchange of livestock, or the good offices for such trading or exchange.