

Section 2
Future Measures

1. This list sets out, pursuant to Article 57, 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) Article 45
- (b) Article 46
- (c) Article 47

2. Each reservation in this list 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) "Description" sets out the scope of the sector, sub-sector or activities covered by the reservation; and
- (f) "Existing Measures" identifies, for transparency purposes, existing measures that apply to the sector, sub-sector 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 paragraph 1 of Article VI of Annex VI, 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 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 Switzerland to the service consumer in Japan without any active marketing from the service supplier are considered as services supplied under subparagraph (t)(ii) of Article 44.

5. 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 list, as these are excluded from the scope of Chapter 6 pursuant to paragraph 2 of Article 43.

6. Laws and regulations with regard to spectrum availability affecting obligations under Article 46 (Market Access) are not included in this list, taking into account the Attachment 6 of Guidelines for the Scheduling of Specific Commitments (WTO Document S/L/92, dated 28 March 2001).

7. For the purposes of this Appendix:

- (a) "JSIC" means Japan Standard Industrial Classification set out by the Statistics Bureau, Ministry of Internal Affairs and Communications, and revised on 6 November 2007; and
- (b) "CPC" means the Provisional Central Product Classification (Statistical paper Series M, No. 77, Department of International Economic and Social Affairs, Statistical Office of the United Nations, New York, 1991).

1 Sector: All Sectors

Sub-Sector:

Industry
Classification:

Type of
Reservation: Market Access (Article 46)

National Treatment (Article 47)

Description: When transferring or disposing of its equity interests in, or the assets of, a state enterprise or a governmental entity, Japan reserves the right to:

- (a) prohibit or impose limitations on the ownership of such interests or assets by investors of Switzerland or their investments;
- (b) impose limitations on the ability of investors of Switzerland or their investments as owners of such interests or assets to control any resulting enterprise; or
- (c) adopt or maintain any measure relating to the nationality of executives, managers or members of the board of directors of any resulting enterprise.

Existing
Measures:

2 Sector: All Sectors

Sub-Sector:

Industry
Classification:

Type of
Reservation: Market Access (Article 46)

National Treatment (Article 47)

Description: Japan reserves the right to adopt or maintain any measure relating to the supply of telegraph services, postal services, betting and gambling services and sale of coinage in Japan, which are restricted to designated enterprises or governmental entities.

In the event where the supply of telegraph services, postal services, betting and gambling services and sale of coinage in Japan, which are restricted to designated enterprises or governmental entities, are liberalised 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, Japan reserves the right to adopt or maintain any measure relating to those activities.

Existing
Measures: Telecommunications Business Law (Law No. 86 of 1984) Supplementary Provisions, Article 5

Postal Law (Law No. 165 of 1947), Article 2

Horse Racing Law (Law No. 158 of 1948) Article 1

The Law relating to Motorboat Racing (Law No. 242 of 1951), Article 2

Bicycle Racing Law (Law No. 209 of 1948), Article 1

Auto Racing Law (Law No. 208 of 1950),
Article 3

Lottery Law (Law No. 144 of 1948),
Article 4

The Law relating to Unit of Currency
and Issue of Coin (Law No. 42 of
1987), Article 10

3 Sector: All Sectors (New Services)

Sub-Sector:

Industry
Classification:

Type of
Reservation: Most-Favoured-Nation Treatment
(Article 45)

Market Access (Article 46)

National Treatment (Article 47)

Description: Japan reserves the right to adopt or maintain any measure relating to new services other than those recognised or that should have been recognised owing to the circumstances at the time of entry into force of this Agreement by the Government of Japan.

Any services classified positively and explicitly in JSIC or CPC at the time of entry into force of this Agreement should have been recognised by the Government of Japan at that time.

Japan reserves the right to adopt or maintain any measure relating to the supply of services in any mode of supply in which those services were not technically feasible at the time of entry into force of this Agreement.

This reservation shall not apply to Article II of Annex VI.

Existing
Measures:

4 Sector: All Sectors

Sub-Sector:

Industry
Classification:

Type of
Reservation: National Treatment (Article 47)

Description: Japan reserves the right to adopt or maintain any measure related to research and development subsidies including any direct or indirect contribution, financial or otherwise, to research and development provided by the Government of Japan or any Japanese public body.

Existing
Measures:

5 Sector: Aerospace Industry

Sub-Sector: Machine Repair Related to Aircraft Industry

Industry Classification:

Type of Reservation: Market Access (Article 46)

National Treatment (Article 47)

Description: Japan reserves the right to adopt or maintain any measure relating to the supply of services in this sub-sector to the extent not inconsistent with its commitments under the GATS.

Existing Measures:

Aircraft Manufacturing Industry Law (Law No. 237 of 1952), Articles 2 through 5

Foreign Exchange and Foreign Trade Law (Law No. 228 of 1949), Articles 27 and 30

Cabinet Order on Foreign Direct Investment (Cabinet Order No. 261 of 1980), Articles 3 and 5

6 Sector: Aerospace Industry

Sub-Sector: Machine Repair Related to Satellites
and Rockets

Industry
Classification:

Type of
Reservation: Market Access (Article 46)

National Treatment (Article 47)

Description: Japan reserves the right to adopt or
maintain any measure relating to the
supply of services in this sub-sector.

Existing
Measures: Foreign Exchange and Foreign Trade Law
(Law No. 228 of 1949), Articles 27 and
30

Cabinet Order on Foreign Direct
Investment (Cabinet Order No. 261
of 1980), Articles 3 and 5

7 Sector: Arms and Explosives Industry

Sub-Sector: Machine Repair Related to Arms and Explosives Industry

Industry Classification:

Type of Reservation: Market Access (Article 46)

National Treatment (Article 47)

Description: Japan reserves the right to adopt or maintain any measure relating to the supply of services in this sub-sector.

Existing Measures:

Ordnance Manufacturing Law (Law No. 145 of 1953), Articles 3 and 5

Foreign Exchange and Foreign Trade Law (Law No. 228 of 1949), Articles 27 and 30

Cabinet Order on Foreign Direct Investment (Cabinet Order No. 261 of 1980), Articles 3 and 5

8 Sector: Information and Communications

Sub-Sector: Broadcasting Industry

Industry Classification: JSIC 380 Establishments engaged in administrative or ancillary economic activities

JSIC 381 Public broadcasting, except cablecasting

JSIC 382 Private-sector broadcasting, except cablecasting

JSIC 383 Cablecasting

Type of Reservation: Market Access (Article 46)

National Treatment (Article 47)

Description: Japan reserves the right to adopt or maintain any measure relating to the supply of services in broadcasting industry.

Existing 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

Radio Law (Law No.131 of 1950), Chapter 2

Broadcast Law (Law No. 132 of 1950), Chapters 3, 3-3 and 3-4

Law concerning Broadcast through Use of Telecommunications Services (Law No. 85 of 2001), Chapter 2

9 Sector: Education, Learning Support

Sub-Sector: Primary and Secondary Educational Services

Industry Classification: JSIC 811 Kindergartens

JSIC 812 Elementary schools

JSIC 813 Lower secondary schools

JSIC 814 Upper secondary schools, secondary schools

JSIC 815 Schools for special needs education

Type of Reservation: Market Access (Article 46)

National Treatment (Article 47)

Description: Japan reserves the right to adopt or maintain any measure relating to the supply of primary and secondary educational services.

Existing 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

10 Sector: Energy

Sub-Sector: Machine Repair Related to Nuclear Energy

Industry Classification: JSIC 9011 General machine repair shops, except construction and mining machinery

Note: The activities covered by the reservation under JSIC 9011 are limited to the activities related to nuclear energy industry.

Type of Reservation: Market Access (Article 46)

National Treatment (Article 47)

Description: Japan reserves the right to adopt or maintain any measure relating to the supply of services in this sub-sector.

Existing Measures: Foreign Exchange and Foreign Trade Law (Law No. 228 of 1949), Articles 27 and 30

Cabinet Order on Foreign Direct Investment (Cabinet Order No. 261 of 1980), Articles 3 and 5

11 Sector: Energy

Sub-Sector: Services Incidental to Energy Distribution (Transmission Services on a Fee or Contract Basis of Electricity)

Industry Classification: JSIC 330 Establishments engaged in administrative or ancillary economic activities

JSIC 331 Production, transmission and distribution of electricity

Type of Reservation: Market Access (Article 46)

National Treatment (Article 47)

Description: Japan reserves the right to adopt or maintain any measure relating to the supply of services in this sub-sector.

Existing Measures: Electricity Business Law (Law No. 170 of 1964), Articles 3 and 5

Foreign Exchange and Foreign Trade Law (Law No. 228 of 1949), Articles 27 and 30

Cabinet Order on Foreign Direct Investment (Cabinet Order No. 261 of 1980), Articles 3 and 5

12 Sector: Energy

Sub-Sector: Specified Radioactive Waste Final Disposal Services

Industry
Classification: JSIC 8899 Waste treatment services,
n.e.c

Type of
Reservation: Market Access (Article 46)

Description: Japan reserves the right to adopt or maintain any measure relating to the supply of services in this sub-sector.

Existing
Measures: Specified Radioactive Waste Final Disposal Act (Law No. 117 of 2000), Chapter 5

13 Sector: Energy

Sub-Sector: Transportation Services of Natural Gas on a Fee or Contract Basis

Industry Classification: JSIC 340 Establishments engaged in administrative or ancillary economic activities

JSIC 3411 Gasworks

JSIC 3412 Gas distribution

Type of Reservation: Most-Favoured-Nation-Treatment (Article 45)

Market Access (Article 46)

National Treatment (Article 47)

Description: Japan reserves the right to adopt or maintain any measure relating to the supply of services in this sub-sector.

Existing Measures: Gas Business Law (Law No. 51 of 1954), Articles 3 and 5

Foreign Exchange and Foreign Trade Law (Law No. 228 of 1949), Articles 27 and 30

Cabinet Order on Foreign Direct Investment (Cabinet Order No. 261 of 1980), Articles 3 and 5

14 Sector: Financial Services

Sub-Sector: Banking and other financial services (excluding Insurance)

Industry Classification:

Type of Reservation: Market Access (Article 46)

National Treatment (Article 47)

Description: Japan reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (t) (i) of Article 44 for banking and other financial services, other than:

- (a) securities-related transactions with financial institutions and other entities in Japan as prescribed by the relevant laws and regulations of Japan;
- (b) sales of a beneficiary certificate of an investment trust and an investment security, through securities firms in Japan; and
Note: Solicitation must be conducted by securities firms in Japan.
- (c) provision and transfer of financial information and financial data processing as referred to in subparagraph 2(a) (i) (O) of Article I of Annex VI and advisory and other auxiliary services, excluding intermediation, relating to banking and other financial services as referred to in subparagraph 2(a) (i) (P) of Article I of Annex VI.

Japan reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (t) (ii) of Article 44 of banking and other financial services,

other than the services as referred to
in subparagraph 2(a)(i)(E) to (P) of
Article I of Annex VI.

Existing
Measures:

15 Sector: Financial Services

Sub-Sector: Insurance and Insurance-Related Services

Industry Classification:

Type of Reservation: Market Access (Article 46)

National Treatment (Article 47)

Description: Japan reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (t) (i) of Article 44 and trade in services as defined in subparagraph (t) (ii) of Article 44 for insurance and insurance-related services, other than the following services, whether supplied by a financial service supplier of Switzerland established in Switzerland as a principal, through an intermediary or as an intermediary:

(a) insurance of risks relating to:

(i) maritime shipping and commercial aviation and space launching and freight (including satellites), with such insurance to cover any or all of the following: the goods being transported, the vehicle transporting the goods and any liability arising therefrom; and

(ii) goods in international transit; and

(b) reinsurance, retrocession and the services auxiliary to insurance as referred to in subparagraph 2(a) (i) (D) of Article I of Annex VI.

Note: Insurance intermediation services may be supplied only for insurance contracts allowed to be supplied in

Japan.

Existing
Measures:

16 Sector: Fisheries

Sub-Sector: Fisheries within the Territorial Sea, Internal Waters, Exclusive Economic Zone and Continental Shelf

Industry Classification: JSIC 031 Marine fisheries
JSIC 032 Inland water fisheries
JSIC 041 Marine aquaculture
JSIC 042 Inland water aquaculture
JSIC 8093 Recreational fishing guide business

Type of Reservation: Most-Favoured-Nation Treatment (Article 45)
Market Access (Article 46)
National Treatment (Article 47)

Description: Japan reserves the right to adopt or maintain any measure relating to the supply of services in fisheries in the territorial sea, internal waters, exclusive economic zone and continental shelf of Japan.

For the purposes of this reservation, "Fisheries" means the work of taking and cultivation of aquatic resources, including the following fisheries related services:

- (a) investigation of aquatic resources without taking such resources;
- (b) luring of aquatic resources;
- (c) preservation and processing of fish catches;
- (d) transportation of fish catches and fish products; and
- (e) provision of supplies to other vessels used for fisheries.

Existing
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

Law for Regulation of Fishing
Operation by Foreign Nationals (Law
No. 60 of 1967), Articles 3, 4 and 6

Law concerning the Exercise of
Sovereign Rights concerning Fisheries
in the Exclusive Economic Zones (Law
No. 76 of 1996), Articles 4 through 12
and 14

17 Sector: Land Transaction

Sub-Sector:

Industry
Classification:

Type of
Reservation: Most-Favoured-Nation Treatment
(Article 45)

National Treatment (Article 47)

Description: With respect to the acquisition or
lease of land properties in Japan,
prohibitions or restrictions may be
imposed by Cabinet Order on Swiss
nationals or legal persons, where
Japanese nationals or legal persons
are placed under identical or similar
prohibitions or restrictions in
Switzerland.

Existing
Measures: Alien Land Law (Law No. 42, 1925),
Article 1

18 Sector: Manufacturing

Sub-Sector: Services Incidental to Aircraft Industry, Explosives Industry, Arms Industry and Aerospace Industry

Industry Classification:

Type of Reservation: Market Access (Article 46)

National Treatment (Article 47)

Description: Japan reserves the right to adopt or maintain any measure relating to the supply of services in this sub-sector.

Existing Measures:

Aircraft Manufacturing Industry Law (Law No. 237 of 1952), Articles 2 through 5

Ordnance Manufacturing Law (Law No. 145 of 1953), Article 5

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

19 Sector: Public Law Enforcement and
Correctional Services and Social
Services

Sub-Sector:

Industry
Classification:

Type of
Reservation: Most-Favoured-Nation Treatment
(Article 45)

Market Access (Article 46)

National Treatment (Article 47)

Description: Japan reserves the right to adopt or
maintain any measure relating to
the supply of services in
public law enforcement and
correctional services, and in social
services such as income security or
insurance, social security or
insurance, social welfare, public
training, health and child care.

Existing
Measures:

20 Sector: Security Guard Services

Sub-Sector:

Industry
Classification: JSIC 923 Guard services

Type of
Reservation: Market Access (Article 46)

National Treatment (Article 47)

Description: Japan reserves the right to adopt or maintain any measure relating to the supply of security guard services.

Existing
Measures: Security Business Law (Law No. 117 of 1972), Articles 4 and 5

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