ANNEX II

Reservations for Future Measures

Schedule of Canada – Explanatory Notes

1. Canada's Schedule to this Annex sets out, pursuant to Articles 8.9.2 and 9.6.2, the specific sectors, sub-sectors, or activities for which Canada may maintain existing, or adopt new or more restrictive, measures that do not conform with obligations imposed by:

(a) Article 8.3 (National Treatment) or 9.2 (National Treatment);

(b) Article 8.4 (Most-Favoured-Nation Treatment) or 9.3 (Most-Favoured-Nation Treatment);

(c) Article 8.7 (Senior Management and Boards of Directors);

(d) Article 8.8 (Performance Requirements);

(e) Article 9.4 (Market Access); or

(f) Article 9.5 (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, where applicable, to the specific sector in which the reservation is taken;

(c) **Industry Classification** refers, where applicable, to the activity covered by the reservation according to domestic industry classification codes;

(d) **Type of Reservation** specifies the obligation referred to in paragraph 1 for which a 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.

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3. In accordance with Articles 8.9.2 and 9.6.2, the Articles of this Agreement specified in the **Type of Reservation** element of a reservation do not apply to tf7(ntes

ANNEX II

Schedule of Canada

Sector:	Aboriginal Affairs
Sub-sector:	
Industry Classification:	
Type of Reservation:	National Treatment (Articles 8.3 and 9.2)
	Most-Favoured-Nation Treatment (Articles 8.4 and 9.3)
	Local Presence (Article 9.5)
	Senior Management and Boards of Directors (Article 8.7)
	Performance Requirements (Article 8.8)
Description:	**Cross-Border Trade in Services and Investment**
	Canada reserves the right to adopt or maintain a measure denying investors of Korea and their investments, or service providers of Korea, rights or preferences provided to aboriginal peoples.
Existing Measure:	Constitution Act, 1982, being Schedule B of the Canada Act 1982 (U.K.), 1982, c. 11

Sector:	All Sectors
Sub-sector:	
Industry Classification:	
Type of Reservation:	National Treatment (Article 8.3)
Description:	**Investment** Canada reserves the right to adopt or maintain a measure relating to residency requirements for the ownership of oceanfront land bTj land

Sector:	Government Finance
Sub-sector:	Securities
Industry Classification:	SIC 8152 Finance and Economic Administration
Type of Reservation:	National Treatment (Article 8.3)
Description:	**Investment** Canada reserves the right to adopt or maintain a measure relating to the acquisition, sale or other disposition by nationals of Korea of bonds, treasury bills or other kinds of debt securities issued by the Government of Canada or a Canadian sub-national government.
Existing Measure:	Financial Administration Act, R.S.C. 1985, c. F-11

Sector:	Minority Affairs
Sub-sector:	
Industry Classification:	
Type of Reservation:	National Treatment (Articles 8.3 and 9.2)
	Local Presence (Article 9.5)
	Senior Management and Boards of Directors (Article 8.7)
	Performance Requirements (Article 8.8)
Description:	**Cross-Border Trade in Services and Investment**
	Canada reserves the right to adopt or maintain a measure conferring rights or privileges to a socially or economically disadvantaged minority.
Existing Measures:	

Sector:	Social Services
Sub-sector:	
Industry Classification:	
Type of Reservation:	National Treatment (Articles 8.3 and 9.2)
	Most-Favoured-Nation Treatment (Articles 8.4 and 9.3)
	Local Presence (Article 9.5)
	Senior Management and Boards of Directors (Article 8.7)

Sector:	Transportation
Sub-sector:	Air Transportation
Industry Classification:	Not CPC-defined, rather aircraft repair and maintenance services, as defined in the Cross-Border Trade in Services Chapter
Type of Reservation:	Most-Favoured-Nation Treatment (Article 9.3)
Description:	**Cross-Border Trade in Services**

Sector:	Transportation
Sub-sector:	Air Transportation
Industry Classification:	Not CPC-defined, rather selling and marketing of air transport services, as defined in the Cross-Border Trade in Services Chapter
Type of Reservation:	National Treatment (Article 9.2) Most-Favoured-Nation Treatment (Article 9.3) Local Presence (Article 9.5)
Description:	**Cross-Border Trade in Services** Canada reserves the right to adopt or maintain a measure affecting the selling and marketing of an air transportation service.
Existing Measures:	

Sector:	Transportation
Sub-sector:	Water Transportation
Industry Classification:	SIC 4129 Other Heavy Construction
	SIC 4541 Freight and Passenger Water Transport Industry
	SIC 4542 Ferry Industry
	SIC 4543 Marine Towing Industry
	SIC 4549 Other Water Transport Industries
	SIC 4552 Harbour and Port Operation Industries (limited to berthing, bunkering and other vessel operations in a port)
	SIC 4553 Marine Salvage Industry
	SIC 4554 Piloting Service, Water Transport Industry
	SIC 4559 Other Service Industries Incidental to Water Transport (not including landside aspects of port activities)
	CPC 5133/5223 Construction work for waterways, harbours, dams and other water works
	CPC 721 Transportation services by sea-going vessels
	CPC 722 Transportation services by non-sea-going vessels
	CPC 745 Supporting services for water transport
	Other marine activities of a commercial nature, as set out in the **Description** section below

Type of Reservation: National Treatment (Articles 8.3 and 9.2)

Most-Favoured-Nation Treatment (Articles 8.4 and 9.3)

Local Presence (Article 9.5)

Senior Management and Boards of Directors (Article 8.7)

Performance Requirements (Article 8.8)

Description: **Cross-Border Trade in Services and Investment**

Canada reserves the right to adopt or maintain a measure affecting the investment in or provision of marine cabotage services, including:

(a) the transportation of either goods or passengers by vessel between points in the territory of Canada or above the continental shelf of Canada, either directly or by way of a place outside Canada; but with respect to waters above the continental shelf of Canada, the transportation of either goods or passengers only in relation to the exploration, exploitation or transportation of the mineral or non-living natural resources of the continental shelf of Canada; and

(b) the engaging by vessel in any other marine activity of a commercial nature in the territory of Canada and, with respect to waters above the continental shelf, in such other marine activities of a commercial nature that are in relation to the exploration, exploitation or transportation of the mineral or non-living natural resources of the continental shelf of Canada.

This reservation relates to, among other things, local presence requirements for service providers entitled to participate in these activities, to criteria for the issuance of a temporary cabotage licence to foreign vessels and to limits on the number of cabotage licences issued to foreign vessels.

For greater certainty this reservation applies, inter alia, to feeder services.

Existing Measures:

Coasting Trade Act, S.C. 1992, c. 31

Canada Shipping Act, 2001, S.C. 2001, c. 26

Customs Act, R.S.C. 1985, c. 1 (2nd Supp.)

Customs and Excise Offshore Application Act, R.S.C. 1985, c. C-53

Description: **Cross-Border Trade in Services**

Canada reserves the right to adopt or maintain a measure affecting the implementation of agreements, arrangements and other formal or informal undertakings with other countries with respect to maritime activities in waters of mutual interest in areas such as pollution control (including double hull requirements for oil tankers), safe navigation, barge inspection standards, water quality, pilotage, salvage, drug abuse control and maritime communications.

Existing Measures:

Sector: Technical Testing and Analysis 4 Tw 1( )-12tes

Sub-sector: Ma( )-10 1 Ttime Technical Testing and Analysis 4 Tw 1( )-12t

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Sector: All Sectors

Sub-sector:

Industry Classification:

Type of Reservation: Most-Favoured-Nation Treatment (Article 8.4)

Description: **Investment**

Canada reserves the right to adopt or maintain a measure that accords differential treatment to countries under a bilateral or multilateral international agreement in force or signed prior to 1 January 1994.

Canada reserves the right to adopt or maintain a measure that accords differential treatment to a country under an existing or future bilateral or multilateral agreement relating to:

(a) aviation;

(b) fisheries; or

(c) maritime matters, including salvage.

Existing Measures:

Sector: All Sectors

Sub-sector:

Industry Classification:

Type of Reservation: Market Access (Article 9.4)

Description: **Cross-Border Trade in Services**

Canada reserves the right to adopt or maintain a measure that is not inconsistent with Canada's obligations under Article XVI of the GATS.

For purposes of this reservation only, Canada's Schedule of Specific Commitments is modified as indicated in Appendix II-A.

Existing Measures:

Sector/Sub-sector	Market Access Improvements
	Under Mode 2 remove:

Sector/Sub-sector	Market Access Improvements
Management consulting services	Under Mode 1 remove: Agrologists - Citizenship requirement for accreditation: Quebec Professional Administrators and Certified Management Consultants - Citizenship requirement for use of title: Quebec Professional Corporation of Administrators Industrial Relations Counsellors - Citizenship requirement for use of title: Quebec Under Mode 2 remove: Agrologists - Citizenship requirement for accreditation: Quebec

Sector/Sub-sector	Market Access Improvements
	Subsurface Surveying Services - Citizenship requirement for accreditation: Quebec
Other business services	Under Mode 1 remove: Certified Translators and Interpreters - Citizenship requirement for use of title: Quebec Under Mode 2 remove: Certified Translators and Interpreters - Citizenship requirement for use of title: Quebec Under Mode 3 remove: Collection Agencies - Foreign Ownership restriction to 25% in total and 10% by any individual: Ontario
Courier services	Under Mode 3 remove: - Economic needs test (Criteria related to approval include: examination of the adequacy of current levels of service; market conditions establishing the requirement for expanded service; the effect of new entrants on public convenience, including the continuity and quality of service, and the fitness, willingness and ability of the applicant to provide proper service.): Nova Scotia and Manitoba
General construction work for civil engineering	Under Mode 3 remove: Construction - An applicant and holder of a water power site development permit must be incorporated in Ontario
Wholesale trade services	Under Mode 1 remove: Marketing of Fish Products (Nova Scotia): Nova Scotia residents require ministerial approval to enter into agreements with non-residents

Sector/Sub

ANNEX II

Reservations for Future Measures

Schedule of Korea – Explanatory Notes

1. Korea's Schedule to this Annex sets out, pursuant to Articles 8.9.2 and 9.6.2, the specific sectors, subsectors, or activities for which Korea may maintain existing, or adopt new or more restrictive, measures that do not conform with obligations imposed by:

(a) Article 8.3 (National Treatment) or 9.2 (National Treatment);

(b) Article 8.4 (Most-Favoured-Nation Treatment) or 9.3 (Most-Favoured-Nation Treatment);

(c) Article 8.7 (Senior Management and Boards of Directors);

(d) Article 8.8

5. For greater certainty, National Treatment (Article 9.2) and Local Presence (Article

ANNEX II

Schedule of Korea

1. Sector:	All Sectors
Obligations Concerned:	National Treatment (Article 8.3)
	Performance Requirements (Article 8.8)
Description:	Investment

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In the event of such a claim, Section B of Chapter Eight (Investment) shall apply, mutatis mutandis, and all references in Section B of Chapter Eight (Investment) to a breach, or to an alleged breach, of an obligation under Section A of Chapter Eight (Investment) shall be understood to refer to the measure, which would constitute a breach of an obligation under Section A of Chapter Eight (Investment) but for this entry. However, no award may be made in favour of the claimant, if Korea establishes to the satisfaction of the tribunal that the measure satisfies all the conditions listed in paragraph 1.

3. This entry does not apply to the extent that a measure referred to in paragraph 1 is

2. Sector:	All Sectors
Obligations Concerned:	National Treatment (Article 8.3 and 9.2)
	Senior Management and Board of Directors (Article 9.1)
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3. Sector:	Acquisition of Land
Obligations Concerned:	National Treatment (Article 8.3)
Description:	Investment

Korea reserves the right to adopt or maintain any measure with respect to the acquisition of land by foreign persons, except that a juridical person shall continue to be permitted to acquire land where the juridical person:

(a) is not deemed foreign pursuant to Article 2 of the Foreigner's Land Acquisition Act; and

(b) is deemed foreign under the Foreigner's Land Acquisition Act or is a branch of a foreign juridical person subject to approval or notification in accordance with the Foreigner's Land Acquisition Act, if the land is to be used for any of the following legitimate business purposes:

(i) land used for ordinary business activities;

(ii) land used for housing for senior man(g)10Tc 0 Tw 1Prftic for se Tc 0 Tw6nic -0.0p -1.72

4. Sector:	Firearms, Swords, Explosives, and Similar Items
Obligations Concerned:	National Treatment (Articles 8.3 and 9.2)
	Senior Management and Boards of Directors (Article 8.7)
	Performance Requirements (Article 8.8)
	Local Presence (Article 9.5)
Description:	Cross-Border Trade in Services and Investment
	Korea reserves the right to adopt or maintain any measure with respect to the firearms, swords, explosives, gas sprays, electric shocks, and crossbows sector, including the manufacture, use, sale, storage, transport, import, export, and possession of firearms, swords, explosives, gas sprays, electric shocks, and crossbows.

5. Sector:	Disadvantaged Groups
Obligations Concerned:	National Treatment (Articles 8.3 and 9.2)
	Most-Favoured-Nation Treatment (Articles 8.4 and 9.3)
	Senior Management and Boards of Directors (Article 8.7)
	Performance Requirements (Article 8.8)
	Local Presence (Article 9.5)
Description:	Cross-Border Trade in Services and Investment
	Korea reserves the right to adopt or maintain any measure that accords rights or preferences to socially or economically disadvantaged groups, such as the disabled, persons who have rendered distinguished services to the state, and ethnic minorities.

6. Sector:	State-Owned Electronic Information System
Obligations Concerned:	National Treatment (Articles 8.3 and 9.2)
	Senior Management and Boards of Directors (Article 8.7)
	Performance Requirements (Article 8.8)
	Local Presence (Article 9.5)
Description:	Cross-Border Trade in Services and Investment
	Korea reserves the right to adopt or maintain any measure affecting the administration and operation of any state-owned electronic information system that contains proprietary government information or information gathered pursuant to the regulatory functions and powers of the government.
	This entry does not apply to payments and settlement systems related to financial services.

7. Sector:	Social Services
Obligations Concerned:	National Treatment (Articles 8.3 and 9.2)
	Most-Favoured-Nation Treatment (Articles 8.4 and 9.3)
	Senior Management and Boards of Directors (Article 8.7)
	Performance Requirements (Article 8.8)
	Local Presence (Article 9.5)
Description:	Cross-Border Trade in Services and Investment
	Korea reserves the right to adopt or maintain any measure with respect to the provision of law enforcement and correctional services, and the following services to the extent that they are social services established or maintained for public purposes: income security or insurance, social security or insurance, social welfare, public training, health, and child care.

8. Sector: All Sectors

Obligations Concerned: Market Access (Article 9.4)

Description: Cross-Border Trade in Services

Korea reserves the right to adopt or maintain any measure that is not inconsistent with Korea's obligations pursuant to Article XVI of GATS as set out in Korea's Schedule of Specific Commitments under the GATS (GATS/SC/48, GATS/SC/48/Suppl.1, GATS/SC/48/Suppl.1/Rev.1, GATS/SC/48/Suppl.2, GATS/SC/48/Suppl.3, and GATS/SC/48/Suppl.3/Rev.1).

For the purposes of this entry only, Korea's Schedule is subject to the following modifications:

(a) for any sector and subsector with regard to which Korea's Annex I contains an entry (other than an entry with regard to "All Sectors") that does not list Market Access as one in the Obligations Concerned element, "None" is inscribed in the Market Access column for modes 1, 2, and 3, and "Unbound except as indicated in the Horizontal commitments section" is inscribed for mode 4;

(b) for any sector and subsector with regard to which Korea's Annex I contains an entry (other than an entry with regard to "All Sectors") that lists a limitation to the Market Access obligation, that limitation is inscribed in the Market Access column with regard to the appropriate mode of supply; and

(c) for any sector and subsector listed in Appendix II-A, Korea's Schedule is modified as indicated in the Appendix II-A.

These modifications do not affect any limitation relating to sub-paragraph (f) of paragraph 2 of Article XVI of GATS inscribed in the Market Access column of Korea's Schedule.

For greater certainty, an entry of "None" in the Market Access column of Korea's Schedule is not construed to alter the application of Article 9.5 (Local Presence) as modified by Article 9.6 (Non-Conforming Measures)

9. Sector:	All Sectors
Obligations Concerned:	Most-Favoured-Nation Treatment (Articles 8.4 and 9.3)

10. Sector:	Environmental Services – Treatment and Supply Services for Potable Water; Collection and Treatment Services for Municipal Sewage; Collection, Transportation, and Disposal Services for Municipal Refuse; Sanitation and Similar Services; Nature and Landscape Protection Services (Except for Environmental Impact Assessment Services)
Obligations Concerned:	National Treatment (Articles 8.3 and 9.2) Performance Requirements (Article 8.8) Local Presence (Article 9.5)
Description:	Cross-Border Trade in Services and Investment Korea reserves the right to adopt or maintain any measure with respect to the following environmental services: treatment and supply of potable water; collection and treatment of municipal sewage; collection, transportation, and disposal of municipal refuse; sanitation and similar services; and nature and landscape protection services (except for environmental impact assessment services). This entry does not apply to the supply of the aforementioned services pursuant to a contract between private parties, to the extent private supply of such services is permitted under relevant laws and regulations.

12. Sector:	Energy Services – Electric Power Generation Other Than Nuclear Power Generation; Electric Power Transmission, Distribution, and Sales; Electricity Business

Obligations Concerned

13. Sector:	Energy Services – Gas industry
Obligations Concerned:	National Treatment (Articles 8.3 and 9.2)
	Senior Management and Boards of Directors (Article 8.7)
	Performance Requirements (Article 8.8)
	Local Presence (Article 9.5)
Description:	Cross-Border Trade in Services and Investment
	Korea reserves the right to adopt or maintain any measure with respect to the import and wholesale distribution of natural gas and the operation of terminals and the national high pressure pipeline network.
	Any such measure does not decrease the level of foreign ownership permitted in the gas industry as provided by the 43rd entry in Korea's Schedule to Annex I

14. Sector:	Distribution Services – Commission Agents' Services, Wholesaling and Retailing of Agricultural Raw Materials and Live Animals (nong chuk san mul)
Obligations Concerned:	National Treatment (Articles 8.3 and 9.2) Performance Requirements (Article 8.8) Local Presence (Article 9.5)
Description:	Cross-Border Trade in Services and Investment Korea reserves the right to adopt or maintain any measure with respect to: (a) commission agents' services; (b) wholesaling (including importation) services; and (c) retailing services, with respect to rice, ginseng, and red ginseng.

15. Sector:	Transportation Services – Passenger Road Transportation Services (Taxi Services and Scheduled Passenger Road Transportation Services)
Obligations Concerned:	National Treatment (Articles 8.3 and 9.2)
	Most-Favoured-Nation Treatment (Articles 8.4 and 9.3)
	Senior Management and Boards of Directors (Article 8.7)
	Performance Requirements (Article 8.8)
	Local Presence (Article 9.5)
Description:	Cross-Border Trade in Services and Investment
	Korea reserves the right to adopt or maintain any measure with respect to taxi services and scheduled passenger road transportation services.

16. Sector:	Transportation Services – Freight Road Transportation Services (not including Road Transportation Services Related to Courier Services)
Obligations Concerned:	Most-Favoured-Nation Treatment (Articles 8.4 and 9.3)
	Senior Management and Boards of Directors (Article 8.7)
	Performance Requirements (Article 8.8)
	Local Presence (Article 9.5)
Description:	Cross-Border Trade in Services and Investment
	Korea reserves the right to adopt or maintain any measure with respect to freight road transportation services, not including road transportation of containerized freight (excluding cabotage) by international shipping companies and road transportation services related to courier services.

17. Sector:	Transportation Services – Internal Waterways Transportation Services and Space Transportation Services
Obligations Concerned:	National Treatment (Articles 8.3 and 9.2)
	Most-Favoured-Nation Treatment (Articles 8.4 and 9.3)
	Senior Management and Boards of Directors (Article 8.7)
	Performance Requirements (Article 8.8)
	Local Presence (Article 9.5)
Description:	Cross-Border Trade in Services and Investment
	Korea reserves the right to adopt or maintain any measure with respect to internal waterways transportation services and space transportation services.

18. Sector:	Transportation Services – Storage and Warehousing Services
Obligations Concerned	National Treatment (Articles 8.3 and 9.2)
Description:	Cross-7.9W7.9W(ces)pomen[(1-6(o0 Tw 0.002 Tc -11.16 0 Td7.65Tj

20. Sector: Communication Services – Broadcasting and

21. Sector:	Communication Services – Broadcasting and Audio-Visual Services

23. Sector:

24. Sector:	Business Services – Insolvency and Receivership Services
Obligations Concerned:	National Treatment (Articles 8.3 and 9.2)
	Senior Management and Boards of Directors (Article 8.7)
	Local Presence (Article 9.5)
Description:	Cross-Border Trade in Services and Investment
	Korea reserves the right to adopt or maintain any measure with respect to insolvency and receivership services.
	Korea reserves the right to adopt or maintain any measure with respect to corporate restructuring services, including corporate restructuring companies, corporate restructuring partnerships, and corporate restructuring vehicles.
	For greater certainty, this entry is not construed to negatively affect current legitimate investment banking services subject to rights and obligations under Chapter Ten (Financial Services).

25. Sector:	Digital Audio or Video Services
Obligations Concerned:	National Treatment (Articles 8.3 and 9.2)
	Most-Favoured-Nation Treatment (Articles 8.4 and 9.3)
	Performance Requirements (Article 8.8)
	Local Presence (Article 9.5)
Description:	Cross-Border Trade in Services and Investment
	Korea reserves the right to adopt or maintain any measure to ensure that, upon a finding by the Government of Korea that Korean digital audio or video content or genres thereof is not readily available to Korean consumers, access to such content is not unreasonably denied to Korean consumers. With respect to digital audio or video services targeted at Korean consumers, Korea reserves the right to adopt or maintain any measure to promote the availability of such content.
	A measure adopted or maintained pursuant to the paragraph above shall be implemented in accordance with Chapter Nineteen (Transparency) as applicable, be based on objective criteria, and be no more trade-restrictive or burdensome than necessary.
	For the purposes of this entry, "digital audio or video service" means a service that provides streaming audio content, films, or other video downloads or streaming video content regardless of the type of transmission (including through the Internet), but does not include broadcasting services as defined by the Broadcasting Act or subscription-based video services as defined in the 20th entry in this Annex.
	For greater certainty, this entry is without prejudice to the obligations of

26. Sector:	Business Services – Cadastral Surveying Services and Cadastral Map Related Services

27. Sector:	Business and Environmental Services – Examination, Certification, and Classification of Agricultural Raw Materials and Live Animals (*nong chuk san mul*)
Obligations Concerned:	National Treatment (Articles 8.3 and 9.2) Local Presence (Article 9.5)
Description:	Cross-Border Trade in Services and Investment Korea reserves the right to adopt or maintain any measure with respect to examination, certification, and classification of agricultural raw materials and live animal products.

28. Sector:	Business Services – Services Incidental to Agriculture, Hunting, Forestry, and Fishing
Obligations Concerned:	National Treatment (Articles 8.3 and 9.2)
	Senior Management and Boards of Directors (Article 8.7)
	Performance Requirements (Article 8.8)
	Local Presence (Article 9.5)
Description:	Cross-Border Trade in Services and Investment
	Korea reserves the right to adopt or maintain any measure with respect to services incidental to agriculture, forestry, and livestock, including genetic improvement, artificial ingi0--6(y)2-2(t)-e,

29. Sector:	Fishing
Obligations Concerned:	National Treatment (Article 8.3)
Description:	Investment Korea reserves the right to adopt or maintain any measure with respect to fishing activities in Korea’s territorial waters and exclusive economic zone.

30. Sector:	Publishing of Newspapers
Obligations Concerned:	National Treatment (Articles 8.3 and 9.2)
	Senior Management and Boards of Directors (Article 8.7)
	Local Presence (Article 9.5)
Description:	Cross-Border Trade in Services and Investment
	Korea reserves the right to adopt or maintain any measure with respect to the publishing (including printing and distribution) of newspapers.
	For greater certainty, this entry is without prejudice to the scope and application of Article 22.6 (Cultural Industries).

31. Sector:	Education Services – Pre-Primary, Primary, Secondary, Higher, and Other Education
Obligations Concerned:	National Treatment (Articles 8.3 and 9.2)
	Most-Favoured-Nation Treatment (Articles 8.4 and 9.3)
	Senior Management and Boards of Directors (Article 8.7)
	Performance Requirements (Article 8.8)
	Local Presence (Article 9.5)
Description:	Cross-Border Trade in Services and Investment
	Korea reserves the right to adopt or maintain any measure with respect to pre-primary, primary, and secondary education; health and medicine-related higher education; higher education for prospective pre-primary, primary, and secondary teachers; professional graduate education in law; distance education at all education levels (except adult education services, provided that such services do not confer academic credit, diplomas, or degrees); and other education services.

33. Sector:	Recreational, Cultural, and Sporting Services – Motion Picture Promotion, Advertising, or Post-Production Services
Obligations Concerned:	National Treatment (Articles 8.3 and 9.2) Most-Favoured-Nation Treatment (Articles 8.4 and 9.3) Performance Requirements (Article 8.8) Local Presence (Article 9.5)
Description:	Cross-Border Trade in Services and Investment Korea reserves the right to adopt or maintain any measure with respect to motion picture promotion, advertising, or post-production services. For greater certainty, this entry is without prejudice to the scope and application of Article 22.6 (Cultural Industries).

34. Sector: Recreational, Cultural, and Sporting Services – Museum

35. Sector:	Other Recreational Services
Obligations Concerned:	National Treatment (Article 8.3)
Description:	Investment
	Korea reserves the right to adopt or maintain any measure with respect to tourism in rural, fishery, and agricultural sites.- /A1

36.

(c) restrictions on foreign-licensed lawyers or foreign law firms hiring byeon-ho-sa (Korean-licensed lawyers), beop-mu-sa (Korean-certified judicial scriveners), byeon-ri-sa (Korean-licensed patent attorneys), gong-in-hoe-gye-sa (Korean-certified public accountants), se-mu-sa (Korean certified tax accountants), or gwan-se-sa (Korean customs brokers) in Korea; and

(d) restrictions on senior management and the board of directors of legal entities supplying foreign legal consulting services, including with respect to the chairman.

2. Notwithstanding paragraph 1,

(a) no later than the date this Agreement enters into force, Korea shall allow, subject to certain requirements consistent with this Agreement, Canadian law firms to establish representative offices (Foreign Legal Consultant offices or FLC offices) in Korea, and attorneys licensed in Canada

37. Sector:	Professional Services – Foreign Certified Public Accountants
Obligations Concerned:	National Treatment (Articles 8.3 and 9.2)
	Senior Management and Boards of Directors (Article 8.7)
	Local Presence (Article 9.5)
Description:	Cross-Border Trade in Services and Investment

1. Korea reserves the right to adopt or maintain any measures, including:

(a) restrictions on certified public accountants or accounting corporations registered under foreign laws hiring gonin-hoe-gye-sa (Korean-certified public accountants);

(b) restrictions on foreign certified public accountants providing auditing services in Korea; and

(c) restrictions on senior management and the board of directors of legal entities supplying certified public accountancy services, including with respect to the chairman.

2. Notwithstanding paragraph 1,

(a) no later than the date this Agreement enters into force, Korea shall allow, subject to certain requirements consistent with this Agreement:

(i) Canadian Chartered Accountants registered in Canada or accounting corporations organised under Canadian law to supply accounting consulting services relating to Canadian or international accounting laws and standards through offices established in Korea; and

(ii) Canadian Chartered Accountants registered in Canada to work in hoegye-beopin (Korean accounting corporations); and

(b) no later than five years after the date this Agreement enters into force, Korea shall allow Canadian Chartered Accountants registered in Canada to invest in any hoegye-beopin (Korean accounting corporations), subject to certain requirements consistent with this Agreement, provided that:

(i) gong-in-hoe-gye-sa (Korean registered certified public accountants) shall own more than 50 percent of the voting shares or equity interests of the hoegye-beopin; and

(ii) any single Canadian Chartered Accountants registered in Canada owns less than 10 percent of the voting shares or equity interests of the hoegye-beopin.

3. Korea shall maintain, at a minimum, the measures adopted to implement its commitments in paragraph 2.

4. For the purposes of this entry, a "Canadian accounting corporation" means an accounting corporation or partnership organized under Canadian law and headquartered in Canada.

38. Sector: Professional Services – Foreign Certified Tax Accountants

Obligations Concerned: National Treatment (Articles 8.3 and 9.2)

Senior Management and Boards of Directors (Article 8.7)

Local Presence (Article 9.5)

Description: Cross-Border Trade in Services and Investment

1. Korea reserves the right to adopt or maintain any measures, including:

(a) restrictions on certified tax accountants or tax agency corporations registered under foreign laws hiring *semu-sa* (Korean-certified tax accountants) or *gong-in-hoe-gye-sa* (Korean-certified public accountants);

(b) restrictions on foreign-certified tax accountants providing tax reconciliation services and tax representative services in Korea; and

(c) restrictions on senior management and the board of directors of legal entities supplying certified tax accountancy services, including with respect to the chairman.

2. Notwithstanding paragraph 1,

(a) no later than the date this Agreement enters into force, Korea shall allow, subject to certain requirements consistent with this Agreement:

(i) the establishment of offices in Korea by Canadian certified tax accountants registered in Canada or tax agency corporations organised under Canadian laws to provide tax consulting services with respect to Canadian or international tax laws and a taxation system; and

(ii) Canadian certified tax accountants registered in Canada to work in semu-beop-in (Korean tax agency corporations); and

(b) no later than five years after this Agreement enters into force, Korea shall allow Canadian certified tax accountants registered in Canada to invest in any semu-beop-in (Korean tax agency corporations), subject to certain requirements consistent with this Agreement, provided that:

(i) semu-sa (Korean certified tax accountants) shall own more than 50 percent of the voting shares or equity interests of the semu-beop-in; and

(ii) any single Canadian certified tax accountant registered in Canada owns less than 10 percent of the voting shares or equity interests of the semu-beop-in.

3. Korea shall maintain, at a minimum, the measures adopted to implement its commitments in paragraph 2.

4. For the purposes of this entry, a "Canadian tax agency corporation" means a tax agency corporation or partnership organised under Canadian law and headquartered in Canada.

39. Sector:	Business Services
Obligations Concerned:	National Treatment (Article 9.2)
	Local Presence (Article 9.5)
Description:	Cross-Border Trade in Services
	Korea reserves the right to adopt or maintain any measure with respect to the exportation and re-exportation of controlled commodities, software, and technology.
	Only persons residing in Korea may apply for a license to export or re-export such commodities, software, or technology.

40. Sector: All Sectors

Obligations Concerned: National Treatment (Article 8.3)

Senior Management and Boards of Directors (Article 8.7)

Performance Requirements (Article 8.8)

Description: Investment

Korea reserves the right to adopt or maintain any measure with respect to an investment to supply a service in the exercise of governmental authority, as defined in Article 9.1 (Scope and Coverage) such as law enforcement and correctional services. This entry does not apply to:

(a) an investor or covered investment that has entered into an agreement with Korea with respect to the supply of such services; or

(b) a measure adopted or maintained by Korea to the extent that the measure is subject to Chapter Ten (Financial Services).

41. Sector: Transportation Services—Maritime Passenger

(b) Without prejudice to the scope of activities which may be considered as cabotage under the relevant national legislation, maritime cabotage is reserved for Korean vessels, which are assumed to cover transportation of passengers or goods between a port or point located in the entire Korean peninsula and any adjacent Korean islands and another port or point located in the entire Korean peninsula and any adjacent Korean islands, including on its continental shelf as provided in the UNCLOS, and traffic originating and terminating in the same port or point located in the entire Korean peninsula and any adjacent Korean islands. "Korean vessel" means:

(i) a vessel owned by the Korean government, a state-enterprise, or an institution established under the Ministry of Oceans and Fisheries;

(ii) a vessel owned by a Korean national;

(iii) a vessel owned by an enterprise organized under the Korean Commercial Code, and

(iv) a vessel owned by an enterprise organized under foreign law that has its principal office in Korea and whose *daepyo-ja* (representative; for example, a chief executive officer, president, or similar principal senior officer) is a Korean national. In the event there is more than one, all *daepyo-ja* must be Korean nationals.

APPENDIX II- A

Korean Sectors Covered by Article XVI of the GATS

For the following Sectors/Subsectors, Korea's obligations pursuant to Article XVI of the General Agreement on Trade in Services as set out in Korea's Schedule of Specific Commitments under the GATS (GATS/SC/48, GATS/SC/48/Suppl.1, GATS/SC/48/Suppl.1/Rev.1, GATS/SC/48/Suppl.2, GATS/SC/48/Suppl.3, and GATS/SC/48/Suppl.3/Rev.1) are improved as described.

Sector/Subsector	Market Access Improvements
Research and development services:	
a. Research and development services natural sciences	Insert new commitments with "None" for modes 1 and 2, "Unbound" for mode 3 and "Unbound except as indicated in the Horizontal Commitments section." for mode 4
b. Research and development services social sciences and humanities	Modify mode 1 and 2 limitations from "Unbound" to "None"
c. Interdisciplinary research and development services	Insert new commitments with "None" for modes 1 and 2, "Unbound" for mode 3 and "Unbound except as indicated in the Horizontal Commitments section" for mode 4
Market research and public opinion polling services	Modify mode 1 and 2 limitations from "Unbound" to "None"
Services incidental to mining	Modify mode 1 and 2 limitations from "Unbound" to "None"

Sector/Sub-sector	Market Access Improvements
Packaging services	Modify mode 1 and 2 limitations from "Unbound" to "None"
Convention services other than Convention agency services	Insert new commitments with "None" for mode 1, 2 and 3 and "Unbound except as indicated in the Horizontal Commitments section" for mode 4
Tourism and travel related services: a. Beverage serving services without entertainment Excluding rail and air transport related facilities in beverage serving services without entertainment b. Tour operator services c. Tourist guides services	Insert new commitments with "Unbound*" for mode 1, "None" for mode 2 and 3 and "Unbound except as indicated in the Horizontal Commitments section" for mode 4 Insert new commitments with "None" for mode 1, 2 and 3 and "Unbound except as indicated in the Horizontal Commitments section" for mode 4 Modify mode 3 from "Only travel agencies are allowed to supply tourist guide services" to "None"