# ANNEX 4-I

## RESERVATIONS TO CHAPTER 7 (CROSS-BORDER TRADE IN SERVICES) AND CHAPTER 8 (INVESTMENT)

### EXPLANATORY NOTES

1. The Schedule of a Party to this Annex sets out, pursuant to Article 7 (Reservations) of Chapter 7 (Cross-Border Trade in Services) and Article 11 (Reservations) of Chapter 8 (Investment), a Party’s existing measures that are not subject to some or all of the obligations imposed by:
2. Article 3 (Market Access) of Chapter 7 (Cross-Border Trade in Services);
3. Article 4 (National Treatment) of Chapter 7 (Cross-Border Trade in Services) or Article 4 (National Treatment) of Chapter 8 (Investment);
4. Article 5 (Most-Favoured-Nation Treatment) of Chapter 7 (Cross- Border Trade in Services) or Article 5 (Most-Favoured-Nation Treatment) of Chapter 8 (Investment);
5. Article 6 (Local Presence) of Chapter 7 (Cross-Border Trade in Services);
6. Article 7 (Prohibition of Performance Requirements) of Chapter 8 (Investment); or
7. Article 8 (Senior Management and Boards of Directors) of Chapter 8 (Investment).
8. Each Schedule entry sets out the following elements:
	1. **Sector** refers to the sector for which the entry is made;
	2. **Sub-Sector**, where referenced, refers to the specific sector in which the reservation is made;
	3. **Industry Classification**, where referenced, refers to the activity covered by the non-conforming measure according to the provisional CPC codes as used in the Provisional Central Product Classification (Statistical Papers Series M No. 77, Department of International Economic and Social Affairs, Statistical Office of the United Nations, New York, 1991);
	4. **Obligations Concerned** specifies the obligations referred to in paragraph 1 that, pursuant to Article 7.1 (Reservations) of Chapter 7 (Cross-Border Trade in Services) and Article 11.1 (Reservations) of

Chapter 8 (Investment), do not apply to the listed measure(s) as indicated in the Description element of that entry;

* 1. **Level of Government** indicates the level of government maintaining the listed measures;
	2. **Source of Measure** identifies the laws, regulations or other measures for which the entry is made. A measure cited in the Measures element:
	3. means the measure as amended, continued or renewed as of the date of entry into force of this Agreement, and
	4. includes any subordinate measure adopted or maintained under the authority of and consistent with the measure; and
	5. **Description** sets out the non-conforming aspects of the measure to which the entry applies. However, in the interpretation of an entry, all elements of the entry shall be considered.
1. Articles 4 (National Treatment) and 6 (Local Presence) of Chapter 7 (Cross- Border Trade in Services) are separate disciplines and a measure that is only inconsistent with Article 6 (Local Presence) of Chapter 7 (Cross-Border Trade in Services) need not be reserved against Article 4 (National Treatment) of Chapter 7 (Cross-Border Trade in Services). For greater certainty, requirements that must be met in order to establish a particular form of enterprise, such as a corporation, trust, partnership, sole proprietorship, joint venture, association or similar organisation are not breaches of the local presence obligation unless they are imposed as a condition for the cross-border supply of a service.
2. Article 1 (Definitions) of Chapter 7 (Cross-Border Trade in Services) and Article 1 (Definitions) of Chapter 8 (Investment) shall apply to this Annex.