LIMITED

CETA Services and Investment Reservations
Canada Federal Annex II
1 August 2014

Annex II

Schedule of Canada

Sector: Aboriginal Affairs

Sub-sector:

Industry Classification:

Type of Reservation: National Treatment (Articles ___ and ___)
Market Access (Articles ___ and ___)
Most-Favoured-Nation Treatment (___ and ___)
Performance Requirements (Article ___)
Senior Management and Boards of Directors (Article ___)

Description: Cross-Border Trade in Services and Investment

Canada reserves the right to adopt or maintain any measure denying investors of the European Union [Member States] and their investments, or service providers of the European Union [Member States], rights or preferences provided to aboriginal peoples.

Sector: Agriculture

Sub-sector: 

Industry Classification: 

Type of Reservation: Market Access

Description: Cross-Border Trade in Services and Investment

Canada reserves the right to adopt or maintain any measure related to collective marketing arrangements for agricultural products,* which includes, but is not limited to, activities such as production, pricing, buying, selling or any other activity to prepare the product in a form or make it available at a place or time for purchase for consumption or use.

Existing Measures: 

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* Note: Agricultural products as defined in the WTO Agreement on Agriculture.
Sector: All Sectors

Sub-sector:

Industry Classification:

Type of Reservation: Senior Management and Boards of Directors
National Treatment (Article ___)

Description: Investment

British Columbia, New Brunswick, Nova Scotia, Nunavut, Prince Edward Island, Quebec, The Northwest Territories, and Yukon, reserve the right to adopt or maintain any measure relating to an enterprise of Canada that is a covered investment that requires 25 percent, or less, of the board of directors, or any committee thereof, be of a particular nationality. An amendment to a measure adopted pursuant to the above must not decrease the conformity of the measure with the obligations set out in Chapter X (Investment) as it existed immediately before the amendment.

Canada reserves the right to adopt or maintain any measure requiring that up to 50 percent of the board of directors of an enterprise that is a covered investment be ordinarily resident in Canada. A granting of residency to an EU national who is an appointee to a board of directors of an enterprise...
enterprise that is a covered investment will be conducted in accordance with Canadian domestic law relating to the entry of foreign nationals. However, such an EU national shall not be subject to an economic needs test solely for the purposes of the appointment to the board of directors.

Existing Measures:

<table>
<thead>
<tr>
<th>Sector:</th>
<th>All Sectors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sub-sector:</td>
<td></td>
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<tr>
<td>Industry Classification:</td>
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<tr>
<td>Type of Reservation:</td>
<td>National Treatment (Article ___)</td>
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<tr>
<td></td>
<td>Market Access (Article ___)</td>
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<tr>
<td>Description:</td>
<td>Investment</td>
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<tr>
<td></td>
<td>Canada reserves the right to adopt or maintain any measure relating to residency requirements for the ownership by investors of the European Union [Member States], or their investments, of oceanfront land.</td>
</tr>
</tbody>
</table>

Existing Measures:
Sector: Fisheries

Sub-Sector: Fishing and Services Incidental to Fishing

Industry Classification: CPC 04, 882

Type of Reservations: National Treatment (Articles X)
Most-Favoured Nation Treatments (Article X)
Market Access (Articles X)

Description: Cross-Border Trade in Services and Investment

Canada reserves the right to adopt or maintain any measure with respect to collective marketing and trading arrangements for fish and seafood products, and licensing fishing or fishing related activities, including entry of foreign fishing vessels to Canada’s exclusive economic zone, territorial sea, internal waters or ports, and use of any services therein.

Canada shall endeavour to accord to vessels entitled to fly the flag of a Member State of the European Union treatment no less favourable than that it accords, in like
situations, to vessels entitled to fly the flag of any other foreign State.

Existing Measures: 

Fisheries Act, R.S.C. 1985, c. F14
Coastal Fisheries Protection Act, R.S.C. 1985, c.33
Coastal Fisheries Protection Regulations, C.R.C. 1978, c. 413
Commercial Fisheries Licensing Policy
Policy on Foreign Investment in the Canadian Fisheries Sector, 1985
Freshwater Fisher Marketing Act, R.S.C., 1985, c. F-13

Sector: Financial Services
Sub-sector: Securities
Industry Classification: SIC 8152
Type of Reservation: National Treatment (Article )
Market Access (Article )
Description: Investment

Canada reserves the right to adopt or maintain any measure relating to the acquisition, sale or other disposition by nationals of the European Union of bonds, treasury bills or other kinds of debt securities issued by the Government of Canada or a Canadian sub-national government.
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Sector: Food, Beverage and Drug Industries
Sub-Sector: Liquor, Wine and Beer Stores
Industry Classification: CPC 241, 242, 243, 62112, 62226, 63107
Type of Reservation: Market Access
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Description: Cross-Border Trade in Services and Investment

The *Importation of Intoxicating Liquors Act* gives each provincial government an import monopoly on any intoxicating liquors entering its territory.

Sector: Minority Affairs
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Sub-sector:

Industry Classification:

Type of Reservation: National Treatment (Articles )
Market Access (Articles )
Performance Requirements (Article )
Senior Management and Boards of Directors (Article )

Description: Cross-Border Trade in Services and Investment

Canada reserves the right to adopt or maintain any 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 )
Market Access (Articles )
Most-Favoured-Nation Treatment (Articles )
Senior Management and Boards of Directors (Article )

Description: Cross-Border Trade in Services and Investment

Canada reserves the right to adopt or maintain any measure with respect to the provision of public law enforcement and correctional services, and the following services to the extent that they are social services established or maintained for a public purpose: income security or insurance, social security or insurance, social welfare, public education, public training, health, and child care.

Existing Measures:
Sector: Social Services

Sub-Sector:

Industry Classification:

Type of Reservation: Market Access

Descriptions: Cross-border Trade in Services and Investment

Canada reserves the right to adopt or maintain any measure with respect to the provision of social services not otherwise reserved under its Annex II reservation in respect of social services on page II – C – 9.

This reservation shall not extend to the adoption of any new measure imposing limitations on the participation of foreign capital in the provision of such social services.

Measures:
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Sector: Collection, Purification and Distribution of Water

Sub-sector:

Industry Classification:

Type of Reservation: Market Access
National Treatment

Description: Cross-Border Trade in Services and Investment

Canada reserves the right to adopt or maintain any measure with respect to the collection, purification and distribution of water.
Sector: Energy
Sub-sector: Transportation Services via Pipeline
Industry Classification: 713
Type of Reservation: Market Access
Description: Investment

Canada reserves the right to adopt or maintain any measure with respect to the issuance of certificates for the pipeline transportation of fuels.

Existing Measures: National Energy Board Act, R.S.C., 1985, C.N-7
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**Sector:** Air Transportation

**Sub-sector:** Selling and marketing of air transport services (as defined in the Chapters on Cross-Border Trade in Services and Investment)

**Industry Classification:** Defined in the Chapters on Cross-Border Trade in Services and Investment

**Type of Reservation:** National Treatment (Articles___ and ___)  
Most-Favoured-Nation Treatment (Articles___ and ___)  
Market Access (Articles___ and ___)

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

Canada reserves the right to adopt or maintain any measure relating to the selling and marketing of air transportation services.

**Existing Measures:** For greater certainty this reservation does not affect Canada’s rights and obligations under the *Agreement on Air Transport Between Canada and the European Community and its Member States*. 
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Sector: Water Transportation

Sub-sector: Construction work for waterways, harbours, dams and other water works transportation services by sea-going/non-sea-going vessels, supporting and other services for water transport, and any other marine activity of a commercial nature undertaken by or from a vessel as set out in the Description section below

Industry Classification: CPC 5133, 5223, 721, 722, 745, any other marine activity of a commercial nature undertaken by or from a vessel

Type of Reservation: National Treatment (Articles___ and ___)
Most-Favoured-Nation Treatment (Articles___ and ___)
Market Access (Articles____ and ___)
Performance Requirements (Article___)
Senior Management and Boards of Directors (Article___)
Obligations (Article X.02) (IMTS)

Description: Cross-Border Trade in Services, Investment, and International Maritime Transport Services

Canada reserves the right to adopt or maintain any 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
This reservation relates to, among other things, limitations and conditions for services providers entitled to participate in these activities, criteria for the issuance of a temporary cabotage license to foreign vessels, and limits on the number of cabotage licenses issued to foreign vessels.

For greater certainty this reservation applies, *inter alia*, to marine activities of a commercial nature undertaken by or from a vessel, including feeder services and repositioning of empty containers.

This reservation does not apply to any measure relating to investment in or the provision of the following marine cabotage services undertaken from a vessel operated by an EU enterprise or an enterprise of a non-Party* owned or controlled by nationals of a Party, if that vessel is registered in accordance with the legislation of that Party and is flying the flag of that Party:

1. Repositioning owned or leased empty containers on a non-revenue basis.

2. (i) Continuous pre or onward transport of international cargo between the Port of Halifax and the Port of Montreal, and between the Port of Montreal and the Port of Halifax, using vessels on a EU Member State’s national registry (that is, first registries); and

(ii) Pre or onward transport of international containerized cargo between the Port of Halifax and the Port of Montreal, and between the Port of Montreal and the Port of Halifax, as a single voyage concurrent to an international leg, using vessels on an EU Member State’s national or international registry (that is, first or second registries).

[Note to legal scrub: the terminology indicating EU Member States’ different vessel registries may need to be revised to make it legally correct]
3. Dredging.

* Canada reserves the right to not extend these benefits to enterprises of the United States.

**Existing Measures:**

Coasting Trade Act, S.C., 1992, c. 31
Customs Act, R.S.C., 1985, c.1 (2nd Supp.)
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Sector: Water Transportation

Sub-Sector: Transport services by sea-going/non-sea-going vessels, supporting and other services for water transport, and any other marine activity of a commercial nature undertaken from a vessel in waters of mutual interest

Industry Classification: CPC 721, 722, 745, any other marine activity of a commercial nature undertaken from a vessel

Type of Reservation: Most-Favoured-Nation Treatment (Article___) Obligations (Article X.02) (IMTS)

Description: Cross-Border Trade in Services and International Maritime Transport Services

Canada reserves the right to adopt or maintain any measure relating to 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 such areas 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: Transportation

Sub-sector:

Industry Classification: CPC Section 7

Type of Reservation: Market Access (Article___)

Description: Investment

Canada reserves the right to adopt or maintain any measure relating to the number or type of legal entity which manages or operates transportation infrastructure owned or controlled by Canada.

Existing Measures:
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Sector: Transportation

Sub-Sector: All transportation sub-sectors, other than the following sub-sectors:

- Maritime Container Station and Depot Services
- Maritime Agency Services
- Maritime Freight Forwarding Services
- Aircraft Repair and Maintenance Services
- Computer Reservation Systems
- Passenger and Freight Transportation by Railway
- Maintenance and Repair of Rail Transport Equipment
- Repair Services n.e.c. of Motor Vehicles, Trailers and Semi-Trailers, on a fee or contract basis
- Maintenance and Repair Services of Motor Vehicles
- Maintenance and Repair Services of Motorcycles and Snowmobiles
- Cargo Handling Services for Land Transport
- Storage and Warehousing Services for Land Transport
- Freight Transport Agency Services for Land Transport
- Other Supporting and Auxiliary Transport Services for Land Transport

Industry Classification: All of CPC 7, CPC 51, CPC 61, CPC 886 and any other commercial activity undertaken from, or with respect to a vessel, aircraft, motor vehicle or rail transport equipment, other than:

- CPC 6112
- CPC 6122
- CPC 7111
- CPC 7112
- CPC 741 (limited to Land Transport Services)
- CPC 742 (limited to Land Transport Services)
- CPC 7480 (limited to Land Transport Services)
- CPC 7490 (limited to Land Transport Services)
- CPC 8867
- CPC 8868 (limited to rail transport equipment)
- Computer reservations systems as defined in the Cross-Border Trade in Services Chapter and Investment
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Aircraft repair and maintenance services as defined in the Cross-Border Trade in Services Chapter and Investment
Maritime container station and depot services as defined in the International Maritime Transport Services Annex/Chapter
Maritime agency services as defined in the International Maritime Transport Services Annex/Chapter
Maritime freight forwarding services as defined in the International Maritime Transport Services Annex/Chapter

Type of Reservation: Market Access (Articles___ and ___)
Obligations (Article X.02) (IMTS)

Description: Cross-Border Trade in Services, Investment, and International Maritime Transport Services

Canada reserves the right to adopt or maintain any measure related to the designation, establishment, expansion, or operation of monopolies or exclusive services suppliers in the transportation sector.

Existing Measures:
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Sector: Transportation

Sub-Sector: Supporting and auxiliary transport services, and groundhandling services (as defined in the Chapters on Cross-Border Trade in Services and Investment

Industry Classification: CPC 74, Ground handling services as defined in the Chapters on Cross-Border Trade in Services and Investment

Type of Reservation: Market Access (Article___)

Description: Investment

Canada reserves the right to adopt or maintain any measure limiting the number of providers of certain supporting and auxiliary transport services related to: the handling of passengers, freight, cargo (including mail) and transportation conveyances that support transportation carriers, at airports, where physical or operational constraints arise primarily as a result of safety or security considerations.

For greater certainty, in the case of ground handling services, this reservation does not affect Canada’s rights and obligations under the Agreement on Air Transport Between Canada and the European Community and its Member States.

Existing Measures:
<table>
<thead>
<tr>
<th>Sector</th>
<th>Water Transportation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sub-sector</td>
<td>Technical Testing and Analysis Services</td>
</tr>
<tr>
<td>Industry Classification</td>
<td>CPC 8676</td>
</tr>
<tr>
<td>Type of Reservation</td>
<td>Market Access (Article___)</td>
</tr>
<tr>
<td>Description</td>
<td>Cross-Border Trade in Services and Investment</td>
</tr>
</tbody>
</table>

Canada reserves the right to adopt or maintain any measure affecting the statutory inspection and certification of vessels on behalf of Canada. For greater certainty, only a person, classification society or other organization authorized by Canada may carry out statutory inspections and issue Canadian Maritime Documents to Canadian registered vessels and their equipment on behalf of Canada.

Existing Measures:
Sector: All Sectors

Sub-sector:

Industry Classification:

Type of Reservation: Most-Favoured-Nation Treatment (Article___)

Description: Investment

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

Canada reserves the right to adopt or maintain any measure that accords differential treatment pursuant to any existing or future bilateral or multilateral agreement relating to:

(a) aviation;
(b) fisheries;
(c) maritime matters, including salvage.

Existing Measures: