

## **GATS 2000**

### **REQUEST FROM THE EC AND ITS MEMBER STATES (HEREAFTER THE EC)**

#### **TO**

#### **KOREA**

#### **GENERAL REMARKS**

At the WTO Ministerial Conference in Doha in November 2001, Ministers agreed that initial requests for specific commitments should be submitted by 30 June 2002.

In line with this decision, and committed to the objectives and principles stated in the GATS, in particular Article IV and XIX GATS, as well as the negotiating guidelines agreed by the Council for Trade in Services on 29 March 2001, the EC encourages Korea to participate actively in the negotiations.

The EC consider that the progressive liberalisation of services is of benefit for all members, including developing and least developed countries. The EC recognises the importance of liberalisation being underpinned by domestic regulatory frameworks designed to ensure the achievement of public policy objectives.

This request covers horizontal commitments, MFN exemptions and the following service sectors:

- Professional services
- Business services (other than Professional services)
- Postal and courier services
- Telecommunication services
- Construction and related engineering services
- Distribution services
- Environmental services
- Financial services
- Tourism and travel related services
- News Agency services
- Transport services
- Energy services

The EC proposes that Korea's current GATS commitments are revised in accordance with this request. The EC is both seeking improved commitments and clarification of existing commitments as set out in this Request. The EC is furthermore looking for a reduction in scheduled limitations whether these are horizontal or sector specific in nature. In so doing, the EC is not seeking the dismantling of public services nor the privatisation of state owned companies.

In conformity with the objectives set out in the EC's overall approach to services negotiations (document S/CSS/W/15), the EC reiterates its commitment to promote regulatory disciplines in accordance with Article VI:4 of the GATS. The EC, however, reserves its right to address at any time to Korea specific requests concerning regulatory issues.

The EC further requests that commitments are entered in accordance with the scheduling guidelines adopted by the Council of Trade in Services on 23 March 2001 (S/L/92). In particular, for each commitment or limitation entered the EC requests:

- that the sector and sub-sector are clearly identified in accordance with the classification list in Document MTN.GNS/W/120 or other internationally recognised classification (e.g. Financial Services Annex) and corresponding CPC number. If this is not possible, the schedule should contain a sufficiently detailed definition to avoid any ambiguity as to the scope of the commitment. In that respect, the EC would like to recall the classification or list of activities proposed in its negotiating proposals with regard to postal and courier, environmental and energy services. While discussions on classification in these sectors are still ongoing, the EC would like to invite Korea to present its offer in accordance with this approach.
- that any remaining limitation on market access (thereafter "MA") or on national treatment (thereafter "NT") are clearly described and only be inscribed in the market access or national treatment columns if the measure is of a nature foreseen by Articles XVI-XVII GATS.

The EC remains available to provide any clarification and answer any question on this request. Questions can be addressed to the European Commission via the EC contact point (mailbox address: TRADE-GATS-CONTACT-POINTS@cec.eu.int), via the Delegation of the European Commission in Geneva, or directly to the European Commission (Directorate-General Trade, Unit D2 (Trade in services, including e-commerce), Brussels, B-1049, Belgium, fax 32-2-299 24 35).

*Note: The EC reserves the right to revise and/or supplement this request. For each service sector, W120 classification has been followed unless expressly indicated and CPCs refer to the Provisional CPC classification. The precise scope for each sector is without prejudice to the EC's final positions on classification issues and to the EC's classification of their existing commitments.*

## HORIZONTAL COMMITMENTS

### EC REQUEST TO KOREA

#### **MODE 3**

The acquisition of outstanding stocks of existing domestic companies by natural persons or juridical persons of another Member is restricted. **EC Request:** remove this restriction.

Korea restricts foreign investment to companies registered on the Korea Stock Exchange. **EC Request:** remove this restriction.

Korea restricts individual foreign investors to 3% of each company's total stock, while aggregate foreign investments cannot exceed 10% per each company. **EC Request:** remove these restrictions.

Korea requires that the amount of foreign investment be at least 50 million Won. **EC Request:** remove this restriction.

Korea maintains restrictions on the acquisition of land by companies that are deemed foreign under the Alien land law. **EC Request:** remove these restrictions.

The schedule of commitments also reads that: "The establishment of branches must be approved in accordance with the Foreign Exchange Management Act. In financial services, the establishment of representative offices must also be approved in accordance with the Foreign Exchange Management Act." **EC Request:** This does not need to be inscribed in the schedule pursuant to the scheduling guidelines.

The column on additional commitments includes the following statement: "Residents who have been treated as foreigners in the Securities Exchange Act will be accorded national treatment in portfolio investment in Korean stocks in 1994." **EC Request:** the EC would like to know if this is still relevant?

#### **MODE 4**

The acquisition of land is permitted only for the leasehold right of land, subject to approval. **EC Request:** Remove this restriction.

#### **Intra-corporate transferees**

- Commitments under section A only cover transfers to subsidiaries, joint ventures and branches. **EC request:** Extend coverage to include transfers between to affiliated companies and offices.
- The EC also requests that a commitment be made to allow as intra-corporate transferees without requiring an economic needs test « persons with a

university degree or equivalent technical qualification who are transferring for career development purposes or to obtain training in business techniques or methods ». The maximum prior employment requirement should be one year.

### **Contractual Service Suppliers**

- A contractual service supplier is a juridical person with no commercial presence in Korea, who has obtained a service contract in Korea requiring the presence of its employees in Korea in order to fulfil that contract. **EC request:** Take commitments for natural persons employed in the service sectors listed below and seeking temporary entry as contractual service suppliers. Such natural persons can be required to have a university degree or equivalent technical qualification – plus the appropriate professional qualifications where this is required by domestic law. The length of stay may be limited.

List of sectors:

#### 1. Business Services

Legal Services  
Accounting and bookkeeping services  
Taxation services  
Architectural services  
Engineering Services  
Integrated engineering services  
Urban planning and landscape architectural services  
Computer and Related Services  
Research and Development Services  
Advertising  
Management consulting services  
Services related to management consulting  
Technical testing and analysis services  
Related scientific and technical consulting services  
Maintenance and repair of equipment  
Interpreters

#### 3. Construction and related engineering services

Site investigation work (CPC 5111)

#### 4. Distribution Services

Wholesale trade services (CPC 622)

#### 6. Environmental Services

All sub-sectors

7. Financial Services

Services auxiliary to insurance, such as consultancy, actuarial, risk assessment and claim settlement services

Advisory, intermediation and other auxiliary financial services on all the activities listed in the subparagraphs (v) to (xv) of the classification of the Annex on Financial Services, including credit reference and analysis, investment and portfolio research and advice, advice on acquisitions and on corporate restructuring and strategy

**Additional commitments.**

- Difficulties are experienced as a result of the fact that a work visa creates permanent establishment status, attracting high taxation rates that creates difficulties for short-term assignments. The EC wishes to discuss the possibility of taking additional commitments to address this issue.

*Note: Mode 4 is covered horizontally in this part for all service sectors. The sectoral requests in the following pages only refer to mode 4 when specifically related to one particular service sector.*

# PROFESSIONAL SERVICES

## EC REQUEST TO KOREA

Korea has committed this sector only partially. The EC requests that this sector is committed as follows:

### **A. LEGAL SERVICES (CPC 861)**

This sub-sector is not committed. **EC Request:** Commit covering at least consultancy on public international law and on law of jurisdiction where the service supplier or its personnel are qualified lawyers.

- Modes 1, 2, 3: Take full commitments, i.e. schedule “none”, under MA and NT
- Mode 4: Commit as referred in the section “Horizontal commitments”

### **B. ACCOUNTING, AUDITING AND BOOKKEEPING SERVICES (CPC 862)**

- Mode 2: MA – This mode remains unbound for auditing services. **EC Request:** Take full commitments, i.e. schedule “none” under MA
- Mode 3: MA – Access restricted to sole proprietorships, auditing task forces, joint accounting offices and incorporated partnerships by certified public accountants. **EC Request:** Remove
- Mode 4: NT- Requirement of two years experience after passing the CPA examination. **EC Request:** Remove

### **C. TAXATION SERVICES (CPC 863)**

- Modes 1 and 2: MA – These modes remain unbound for tax reconciliation services and tax representative services. **EC Request:** Take full commitments, i.e. schedule “none” under MA
- Mode 3: MA – Access restricted to sole proprietorships, tax reconciliation task forces, joint tax accounting offices and incorporated partnerships by certified tax accountants. **EC Request:** Remove
- Mode 3: MA – Tax reconciliation services restricted to certified tax accountants in tax reconciliation task forces, joint tax accounting offices and incorporated partnerships by certified tax accountants. **EC Request:** Remove
- Mode 4: NT – Prior practice requirement for practising as certified tax accountants. **EC Request:** Remove

### **D. ARCHITECTURAL SERVICES (CPC 8671)**

- Mode 1: MA – Requirement of commercial presence. **EC Request:** Remove

# **BUSINESS SERVICES (OTHER THAN PROFESSIONAL SERVICES)**

## **EC REQUEST TO KOREA**

### **B. COMPUTER AND RELATED SERVICES**

**EC request:** Schedule commitments at the two-digit level – i.e. CPC 84.

### **C. RESEARCH AND DEVELOPMENT SERVICES**

#### **a) R&D Services on natural sciences (CPC 851)**

Korea has not committed this sub-Sector. The EC requests that it be committed as follows for privately financed Research and Development:

- Modes 1,2 and 3: **EC Request:** Take full commitments, i.e. schedule "none" under MA and NT.
- Mode 4: **EC Request:** Commit as referred to in the section "Horizontal commitments".

#### **b) R&D Services on social sciences and humanities (CPC 852)**

- Mode 1: MA - This Mode remains unbound. **EC Request:** For privately financed Research and Development, take full commitments, i.e. schedule "none".

#### **c) Interdisciplinary R&D services. (CPC 853)**

Korea has not committed this sub-Sector. The EC requests that it be committed as follows for privately financed Research and Development:

- Modes 1, 2 and 3: **EC Request:** Take full commitments, i.e. schedule "none" under MA and NT.
- Mode 4: **EC Request:** Commit as referred to in the section "Horizontal commitments".

### **D. REAL ESTATE SERVICES:**

Korea has not committed this Sector. The EC requests that it be committed as follows:

#### **a) Involving own or leased property (CPC 821)**

#### **b) On a fee or contract basis (CPC 822)**

**For each of the above sub-Sectors:**

- Modes 1, 2, 3: Take full commitments, i.e. schedule "none" under MA and NT.
- Mode 4: Commit as referred to in the section "Horizontal commitments".

**E. RENTAL AND LEASING SERVICES WITHOUT OPERATORS:**

**a) Relating to ships (CPC 83103)**

- Mode 1: MA - This Mode remains unbound. **EC Request:** Take full commitments, i.e. schedule "none".

**c) Relating to other transport equipment (CPC 83101 + 83102 + 83105)**

This sub-sector has not been committed for CPC 83102 and part of 83105. **EC request:** Extend sectoral coverage to include these CPC codes.

**d) Relating to other machinery (CPC 83106 – 83109)**

This sub-sector has not been committed for CPC 83107. EC request: Extend sectoral coverage to include this CPC code.

**F. OTHER BUSINESS SERVICES**

*NB: Requests (if any) on (h) - services incidental to mining, and (j) - services incidental to energy distribution, are covered in those sections of the request dealing with Energy Services and Construction Services.*

**b) Market research and Public Opinion Polling (CPC 864)**

- Modes 1 and 2: MA - These Modes remain unbound. EC Request: Take full commitments, i.e. schedule "none".

**d) Services related to management consulting (CPC 866)**

This sub-sector has not been committed for CPC 86602 and 86609. **EC request:** Extend sectoral coverage to include these CPC codes and commit at a three digit level.

**e) Technical testing and analysis services (CPC 8676)**

This sub-sector has only been partially committed. **EC request:** Extend sectoral coverage to include all of CPC 8676 with full commitments.

- Mode 3 for 86761 only: MA: Economic Needs Test applied. **EC request:** Eliminate.

**k) Placement and supply services of personnel (CPC 872)**

Korea has not committed this sub-Sector. The EC requests that it be committed as follows:

- Modes 1, 2, 3: **EC Request:** Take full commitments, i.e. schedule "none" under MA and NT.
- Mode 4: **EC Request:** Commit as referred to in the section "Horizontal commitments".

#### **l) Security Services (CPC 87302 – 87309)**

Korea has not committed this sub-Sector. The EC requests that it be committed as follows:

- Mode 3: **EC Request:** MA - Commit with no form of establishment or equity limitation. Full NT commitment - i.e. schedule "none".
- Mode 4: **EC Request:** Commit as referred to in the section "Horizontal commitments".

#### **m) Related scientific and technical consulting services (CPC 8675)**

This sub-sector has not been committed for CPC 86753 and 86754. **EC request:** Extend sectoral coverage to include these CPC codes and commit at a four digit level.

#### **p) Photographic Services (CPC 875)**

- Modes 1 and 2: MA - These Modes remain unbound. **EC Request:** Take full commitments, i.e. schedule "none".

#### **o) Building cleaning services (CPC 875)**

Korea has not committed this sub-sector. **EC Request:**

- Mode 3: Take full commitments, i.e. schedule "none" under MA and NT
- Mode 4: Commit as referred to in the section "Horizontal commitments"

#### **q) Packaging Services (CPC 876)**

- Modes 1 and 2: MA - These Modes remain unbound. **EC Request:** Take full commitments, i.e. schedule "none".

#### **r) Printing and Publishing Services (CPC 88442)**

This sub-sector is only covered for « screen printing, gravure printing and services related to printing ». **EC request:** Extend coverage to all printing and publishing services.

#### **Grounds maintenance (part of CPC 88110) and**

## **Washing and Cleaning Services (CPC 97011-97014)**

Korea has not committed these two sub-sectors. **EC Request:**

- Mode 3: Take full commitments, i.e. schedule “none” under MA and NT
- Mode 4: Commit as referred to in the section “Horizontal commitments”

# POSTAL AND COURIER SERVICES

## EC REQUEST TO KOREA

Korea has not undertaken commitments in postal and courier services. This request is based on the EC proposal for the classification of postal and courier services. While discussions on classification in this sector are still ongoing, the EC would like to invite Korea to present its offer in accordance with this proposal, without prejudice to the outcome of the discussion on the classification of postal and courier services:

### **SERVICES RELATING TO THE HANDLING<sup>1</sup> OF POSTAL ITEMS<sup>2</sup>, WHETHER FOR DOMESTIC OR FOREIGN DESTINATIONS:**

**A. Handling of addressed written communications on any kind of physical medium<sup>3</sup>, including:**

- Hybrid mail services

- Direct mail

**B. Handling of addressed parcels and packages<sup>4</sup>**

**C. Handling of addressed press products<sup>5</sup>**

**D. Handling of items referred to in A. to C. above as registered or insured mail.**

**E. Express delivery services<sup>6</sup> for items referred to in A. to C. above.**

**F. Handling of non-addressed items.**

**G. Document exchange.**

**H. Other services not elsewhere specified.**

---

<sup>1</sup> The term "handling" should be taken to include clearance, sorting, transport and delivery.

<sup>2</sup> "Postal item" refers to items handled by any type of commercial operator, whether public or private.

<sup>3</sup> E.g. letter, postcards.

<sup>4</sup> Books, catalogues are included hereunder.

<sup>5</sup> Journals, newspapers, periodicals.

<sup>6</sup> Express delivery services may include, in addition to greater speed and reliability, value added elements such as collection from point of origin, personal delivery to addressee, tracing and tracking, possibility of changing the destination and addressee in transit, confirmation of receipt.

For sub-sectors B., C., E., F. and G.:

- Modes 1, 2 and 3: Undertake full commitments for market access and national treatment.
- Mode 4: Commit as referred to in the section « Horizontal commitments ».

For sub-sectors A. and D.:

- Modes 1, 2 and 3: Undertake commitments for market access and national treatment.
- Mode 4: Commit as referred to in the section « Horizontal commitments ».

# TELECOMMUNICATION SERVICES

## EC REQUEST TO KOREA

Korea has only partially committed this Sector. The EC requests that this Sector is committed as follows:

### ALL MODES

**There are no commitments for Electronic mail (CPC 7523\*\*), Voice mail (CPC 7523\*\*), Online information and database retrieval (CPC 7523\*\*), electronic Data interchange (EDI)(CPC 7523\*\*), Enhanced/value-added facsimile services, incl. store and forward, store and retrieve (CPC 7523\*\*), Code and protocol conversion (n.a.) and Other.**

**EC Request:** Make full commitments for all these subsectors, i.e. schedule “none” for MA and NT

### MODE 1- CROSS-BORDER SUPPLY

There is an obligation to contract with a licensed Korean service supplier, **EC request:** remove this restriction.

### MODE 3- COMMERCIAL PRESENCE

Equity participation by foreigners is limited (49% after 21/12/2000) and equity participation by a single person is also limited (33% for all services, except 10% for wireline based voice telephone services), **EC request:** remove these ceilings.

Foreign ownership and individual ownership of KT are limited (33% and 3% respectively), **EC request:** remove these ceilings.

Facilities based and resale based services are treated differently, **EC request:** remove this distinction.

# CONSTRUCTION AND RELATED ENGINEERING SERVICES

## EC REQUEST TO KOREA

### GENERAL

Korea has committed this Sector only partially. The EC requests that this Sector be committed as follows:

#### **All sub-sectors (CPC 511 to CPC 518)**

- Mode 3: MA – New licenses are issued during a specific period every year. **EC Request:** Eliminate this limitation.
- Mode 3: MA – Limits on contract amount per contract. **EC Request:** Remove these restrictions.

#### **A. GENERAL CONSTRUCTION WORK FOR BUILDINGS (CPC 512)**

- Mode 3: MA – Compulsory subcontract system. **EC Request:** Remove this requirement.

#### **B. GENERAL CONSTRUCTION WORK FOR CIVIL ENGINEERING (CPC 513)**

- Mode 3: MA – Compulsory subcontract system currently required for all items covered by this sub-sector except CPC 5134 (long distance pipelines, communication and power lines), CPC 5135 (local pipelines and cables, ancillary work) and construction work of power plants under CPC 5136. **EC Request:** Remove this requirement.

#### **E. OTHER (CPC 511+515+518)**

- Mode 3: MA – Compulsory subcontract system currently required for all items covered by this sub-sector except CPC 511 (pre-erection work at construction site). **EC Request:** Remove this requirement.
- This sub-sector is not committed for CPC 5114 (excavating and earthmoving work) and CPC 518 (renting services related to equipment for construction or demolition of buildings or civil engineering works, with operator). **EC Request for these CPCs;**
- Mode 3: Take full commitments, i.e. schedule “none” under MA and NT.
- Mode 4: Commit as referred in the section “Horizontal commitments”.

*Note: "MA" refers to commitments scheduled under the "Market Access" column. "NT" under the "National treatment" column.*

## DISTRIBUTION SERVICES

### EC REQUEST TO KOREA

Korea has only partially committed this Sector. The EC requests that this Sector is committed as follows:

#### **All sub-sectors**

The distribution of the following goods is not committed:

- distribution in wholesale markets of agricultural and related goods;

**EC Request** for these goods:

- Modes 1, 2, 3: Take full commitments, i.e. schedule "none".
- Mode 4: Commit as referred in the section "Horizontal commitments".

#### **A. COMMISSION AGENTS' SERVICES (CPC 621, 6111+6113+6121)**

The distribution of the following goods is not committed:

- motor vehicles (CPC 6111+6113+6121)
- agricultural raw materials (CPC 62111)
- food, beverages, tobacco (CPC 62112)

**EC Request** for these goods:

- Modes 1, 2, 3: Take full commitments, i.e. schedule "none".
- Mode 4: Commit as referred in the section "Horizontal commitments".
- Commission agents' services of future contracts are excluded from commitments. **EC Request:** Remove such exclusion.
- Modes 1 and 2: These Modes remain unbound. **EC Request:** Take full commitments, i.e. schedule "none".

#### **B. WHOLESALE TRADE SERVICES (CPC 622, 6111+6113+6121)**

The distribution of the following goods is not committed:

- motor vehicles (CPC 6111+6113+6121)
- grain, raw milk, red ginseng, farinaceous products (part of CPC 6221/2)
- fertilizers (part of CPC 62276)

**EC Request** for these goods:

- Modes 1, 2, 3: Take full commitments, i.e. schedule "none".
- Mode 4: Commit as referred in the section "Horizontal commitments".
- Modes 1 and 2: These Modes remain unbound. **EC Request** : Take full commitments, i.e. schedule "none".
- Mode 3: Unspecified economic needs test for large stores, trade centres, foreign trade services and distribution of used cars, gaseous fuels and related products. **EC Request:** eliminate such restrictions.

### **C. RETAILING SERVICES (CPC 631+632, 6111+6113+6121+613)**

The distribution of the following goods is not committed:

- most food goods, beverages and tobacco (CPCs 63102/3/5/6/7/8/9)
- animal feed (part of CPC 63295)

**EC Request** for these goods:

- Modes 1, 2, 3: Take full commitments, i.e. schedule "none".
- Mode 4: Commit as referred in the section "Horizontal commitments".
- Modes 1 and 2: These Modes remain unbound. **EC Request:** Take full commitments, i.e. schedule "none".
- Mode 3: Unspecified economic needs test for the sale of used cars and gaseous fuels. **EC Request:** eliminate such restriction.
- Mode 3: Department stores and shopping centres are prohibited. **EC Request:** Remove.

# ENVIRONMENTAL SERVICES

## EC REQUEST TO KOREA

This request is based on the EC proposal for the classification of environmental services. While discussions on classification in this sector are still ongoing, the EC would like to invite Korea to present its offer in accordance with this proposal, without prejudice to the outcome of the discussion on the classification of environmental services.

### **A. WATER FOR HUMAN USE & WASTEWATER MANAGEMENT**

#### **Water collection, purification and distribution services through mains, except steam and hot water**

This sub-sector only concerns the distribution of water ‘through mains’ (i.e. urban sewage systems). This excludes any cross-border transportation either by pipeline or by any other means of transport, nor does it imply access to water resources.

Extend sectoral coverage to include the above services.

- Mode 3: Take commitments under MA and NT
- Mode 4: Commit as referred to in the section “Horizontal commitments”

#### **Waste water services (CPC 9401)**

Extend coverage of commitments to include collection and treatment services of waste water other than industrial waste water.

- Mode 3: Market access: Remove limitation to number of licences.
- Mode 4: Commit as referred to in the section “Horizontal commitments”

### **B. SOLID/HAZARDOUS WASTE MANAGEMENT**

#### **Refuse disposal services (CPC 94020)**

Extend coverage of commitments to include collection, transport and disposal services of refuse other than industrial refuse.

- Mode 3: Market access: Remove requirement of economic needs test, or specify criteria.
- Mode 4: Commit as referred to in the section “Horizontal commitments”

### **Sanitation and similar services (CPC 94030)**

Extend sectoral coverage to include the above services, and take full commitments in that subsector for mode 2 and 3.

- Mode 4: Commit as referred to in the section “Horizontal commitments”

### **D. REMEDIATION AND CLEANUP OF SOIL & WATER**

#### **Treatment, remediation of contaminated/polluted soil and water (part of CPC 94060)**

- Environment testing and assessment services

Extend coverage to include services other than environmental impact assessment services and take full commitments for mode 1 (where technically feasible), 2 and 3.

- Mode 3: Market access: Remove requirement of economic needs test, or specify criteria.
- Mode 4: Commit as referred to in the section “Horizontal commitments”

### **F. PROTECTION OF BIODIVERSITY AND LANDSCAPE**

#### **Nature and landscape protection services (part of CPC 94060)**

- Environment testing and assessment services

Extend coverage to include services other than environmental impact assessment services and take full commitments for mode 1 (where technically feasible), 2 and 3.

- Mode 3: Market access: Remove requirement of economic needs test, or specify criteria.
- Mode 4: Commit as referred to in the section “Horizontal commitments”

### **G. OTHER ENVIRONMENTAL & ANCILIARY SERVICES**

#### **Other environmental protection services not classified elsewhere (CPC 94090)**

- Environment testing and assessment services

Extend coverage to include services other than environmental impact assessment services and take full commitments for mode 1 (where technically feasible), 2 and 3.

- Mode 3: Market access: Remove requirement of economic needs test, or specify criteria.
- Mode 4: Commit as referred to in the section “Horizontal commitments”

## FINANCIAL SERVICES

### EC REQUEST TO KOREA

Korea has committed this sector only partially. The EC requests that it be committed as follows:

#### GENERAL

- **EC Request:** Undertake commitments in accordance with the Understanding on Commitments in Financial Services.
- **EC Request:** Follow the classification of the Annex on Financial Services.
- Mode 3: MA - Financial institutions are prohibited from operating at the same time in different sub-sectors. **EC Request:** Remove this prohibition.

#### INSURANCE

- Mode 3: MA - The legal form of establishment is limited to companies. **EC Request:** Allow the establishment of associations of underwriters.
- Mode 3: MA – In life insurance, non-life insurance and reinsurance, the establishment of joint ventures with Korean companies is not allowed. **EC Request:** Remove this restriction.
- Mode 3: MA – In life insurance, non-life insurance and reinsurance, restrictions on recruitment and employment of professionals, including sales force. **EC Request:** Eliminate these restrictions.
- Modes 1 and 2: MA and NT - MAT insurance is only partly committed. **EC Request:** Take commitments in accordance with the Understanding.
- Modes 1 and 2: MA and NT – Unbound for insurance brokering and agency services. **EC Request:** Commit brokerage of reinsurance and of MAT insurance in accordance with the Understanding.
- Modes 1 and 2: MA – Unbound for claim settlement services and actuarial business. **EC Request:** Take full commitments, i.e. schedule “none”.
- Modes 1, 2 and 3: Restriction of quotation of most non-life insurance rates (except in aviation). **EC Request:** Remove this restriction.
- Modes 1 and 2: MA and NT – No commitment has been taken on cross-border insurance of large non-MAT risks. **EC Request:** Take commitments on insurance of larger risks, based on a definition to be determined in negotiations and accompanied by appropriate prudential regulations adopted by the regulatory authorities of the host country and protecting policy-holders, avoiding discrimination between operators, in line with the principles agreed in the OECD Framework of Insurance Market Liberalisation.
- Modes 1 and 2: MA and NT - Obligation of priority cessions to Korean re-insurance firms and prohibition of proportional outward re-insurance treaties. **EC Request:** Clarify why these limitations have not been scheduled.

- Mode 3: MA - Prohibition of operation in fidelity and surety insurance. **EC Request:** Remove this prohibition.
- Mode 3: MA – In insurance brokering and agency services, commitments are limited to insurance agency services. **EC Request:** Take full commitments in insurance brokering.
- Mode 3: MA - Limit of maximum 15% total assets investments in real estate. **EC Request:** Eliminate this restriction.
- Mode 3: Prohibitive association membership costs that preclude participation in government pools. **EC Request:** Reduce costs.

## **BANKING AND OTHER FINANCIAL SERVICES**

- Modes 1 and 2: MA and NT – Unbound in all sub-sectors. **EC Request:** Take full commitments in modes 1 and 2 for provision and transfer of financial information and advisory and other auxiliary financial services, and in mode 2 for all the other sub-sectors.
- Mode 3: MA – Mandatory lending to SMEs. **EC Request:** Remove this requirement.
- Mode 3: MA – Limits on foreign shareholding of securities companies and financial information companies. **EC Request:** Remove these limits.
- Mode 3: MA – Lending for credit card members through such means as card loans is subject to limitations. **EC Request:** Specify the limitations.
- Mode 3: MA and NT - Foreign banks' branches are not allowed to use parent's capital to meet prudential requirements, even if their home country's regulation and supervision has implemented Basle or equivalent standards. **EC Request:** Allow branches to use parent's capital to meet prudential requirements.
- Mode 3: Regulation on branch capital: the guarantee granted by the branch's head office or by another foreign bank for additional lending volumes is not taken into account. **EC Request:** Take into account the guarantee extended by the branch's head office or by another foreign bank for additional lending volume.
- Mode 3: Requirement for foreign investors to obtain special ID cards before being allowed to buy Korean shares. **EC Request:** Eliminate this requirement.
- Mode 3: NT - Prohibition of over-the-counter trading for listed stock. **EC Request:** Eliminate this prohibition.
- Mode 3: Financial institutions are prohibited from operating in some different subsectors. **EC Request:** Remove these limitations.
- Mode 3: Foreign exchange limits are imposed on foreign banks: foreign bank branches not allowed to exceed their foreign exchange open position more than 20% above their branch capital. **EC Request:** Remove this limitation
- Mode 3: Restrictions on refinancing and operations in local currency. **EC Request:** Eliminate those limitations.

- Mode 3: Low ceiling on banks' spot oversold position. **EC Request:** Upgrade the ceiling.
- Mode 3: Limitation on credit exposure (loans, guarantees, etc.) by foreign bank branches to single customers to 20% of branch capital for direct exposures and 25% for a group of customers. **EC Request:** Remove those restrictions by taking into account the capital of the head office.
- Mode 3: Excessive capital requirements for branches of foreign investment trusts and investment advisory companies. **EC Request:** Reduce these requirements.
- Mode 3: Fund management and trading of Investment Trust Management Companies (ITMC) cannot be delegated to a third party. **EC Request:** Allow such a possibility.
- Mode 3: An ITMC cannot share information, nor information systems with affiliated companies. **EC Request:** Allow such a possibility.
- Mode 3: A director of an ITMC cannot be a director of an affiliated company. **EC Request:** Allow such a possibility.

# **TOURISM AND TRAVEL RELATED SERVICES**

## **EC REQUEST TO KOREA**

Korea has committed this sector only partially. The EC requests that it be committed as follows:

### **A. HOTELS AND RESTAURANTS (INCL. CATERING)(CPC 641-643)**

Extend sectoral coverage to include beverage serving services (CPC 643) and undertake full commitments for mode 2 and 3.

Mode 4: Commit as referred to in the section “Horizontal commitments”

### **B. TRAVEL AGENCIES AND TOUR OPERATORS SERVICES (CPC 7471)**

Clarify if commitments also cover tour operator services.

### **MODE 4: COMMIT AS REFERRED TO IN THE SECTION ‘HORIZONTAL COMMITMENTS’. C. Tourist guides services (CPC 7472)**

Mode 3: Market access: Remove requirement that only travel agencies are permitted to supply tourist guides.

Mode 4: Commit as referred to in the section “Horizontal commitments”

## **NEWS AGENCY SERVICES**

### **EC REQUEST TO KOREA**

Korea has not committed this sector (CPC 962). The EC requests that this Sector be committed as follows:

#### **EC Request (CPC 962):**

- Modes 1-3: Take full commitments, i.e. schedule “none” under MA and NT.
- Mode 4: Commit as referred to in the section “Horizontal commitments”.

# TRANSPORT SERVICES

## EC REQUEST TO KOREA

### A. MARITIME TRANSPORT

Korea has specific commitments with few restrictions for maritime transport. Restrictions relate to storage and ware-housing (limitations on products).

EC is requesting WTO Members to take commitments in accordance with the attached model schedule (Annex 1), and notes that these are essentially already committed by Korea.

**EC request:**

- 1) **International transport (freight and passengers) CPC 7211 and 7212**
- 2) **Additional commitments for access to and use of ports facilities**
- 3) **Maritime auxiliary services (maritime cargo handling, storage and warehouse services, customs clearance services, container station and depot services, maritime agency services)**
- 4) **Multimodal activities: for inland forwarding of cargoes - commit the ability to rent or lease - or to have access to and use of multimodal facilities (as specified in the note to the schedule).**
- 5) **Definitions – commit definitions as specified in the model schedule.**

In addition, EC requests the following additional maritime commitments from Korea:

- 6) **Equipment**. To facilitate planning of their businesses operators should be allowed to reposition their own equipment, such as empty containers, between ports of Korea, when it is not carried against payment. This is requested to be committed in a new footnote:

*“9. Movement of own equipment. International maritime transport suppliers can move/reposition their own equipment (i.e. empty containers, flatbeds etc.) on their own vessels between ports of Korea.”*

- 7) **International cargo.** With the development of containerisation and high frequency networking services and with the ever-larger vessels having to limit direct port calls for physical or economic reasons, the feeding of cargoes between main ports and way ports is becoming more important as an integral part of efficient international maritime transport. An international maritime transport supplier should be allowed to operate feeder services for its international cargo between ports of Korea. This is requested to be committed in a new footnote:

*"10. International maritime transport suppliers can operate vessels of any flag for the purposes of pre- and onward carriage of the international cargo between ports of Korea."*

In this context Korea may wish to take the one or more of the following principles into concern:

- Size of the port. Only valid for international cargo relayed between national ports handling more than [25.000 TEU] on an annual basis.
- Binding existing ad hoc practices. To the extent exceptions are already granted for use of foreign flagged vessels such practices could be bound to explicitly cover pre- and onward carriage of international cargo.
- Geographical limitations: Transport of international cargo between ports within the same provinces/metropolitan cities [or other relevant regional entity] remains excluded.

A final request related to maritime transport is:

- 8) **Rental and leasing** of vessels with crew (CPC 7213, 7223).

**EC request:**

- Modes 1, 2 and 3: Take full commitments, i.e. schedule "none", under MA and NT
- Mode 4: Commit as in horizontal commitments.

## **B. INTERNAL WATERWAYS:**

Korea has no commitments for this activity.

- c) **Rental and leasing of vessels with crew (CPC 7213, 7223)**

**EC request:**

- Modes 1, 2 and 3: Take full commitments, i.e. schedule "none", under MA and NT
- Mode 4: Commit as referred in the section "Horizontal commitments"

## **C. AIR TRANSPORT**

Korea has commitments for *selling and marketing, and computer reservation systems*. The EC asks Korea to also consider the following areas:

### **1) Maintenance and repair of aircraft and parts thereof.**

#### **EC request:**

- Modes 2 and 3: Take full commitments, i.e. schedule “none”, under MA and NT
- Mode 4: Commit as referred in the section “Horizontal commitments”

### **2) Selling and marketing.**

Korea has commitments for this sector based on a classifications in its “Aviation Act”.

#### **EC request:**

- Modes 1, 2 and 3: Take full commitments, i.e. schedule “none”, under MA and NT
- Mode 4: Commit as referred in the section “Horizontal commitments”

### **3) Computer Reservation Systems.**

#### **EC request:**

- Modes 1, 2 and 3: Take full commitments, i.e. schedule “none”, under MA and NT
- Mode 4: Commit as referred in the section “Horizontal commitments”
- MFN exemption: Remove the MFN exemption on Computerized Reservation System (see also section on MFN exemptions)

### **4) Groundhandling services, as specified in the attached definitions (Annex 2).**

#### **EC request:**

- Modes 2 and 3: Take full commitments, i.e. schedule “none”, under MA and NT
- Mode 4: Commit as referred in the section “Horizontal commitments”

### **5) Airport management services, as specified in the attached definitions (Annex 2).**

#### **EC request:**

- Mode 3: Take full commitments, i.e. schedule “none”, under MA and NT
- Mode 4: Commit as referred in the section “Horizontal commitments”

## **E. RAIL TRANSPORT**

Korea has no commitments for this activity.

### **d) Maintenance and Repair of Rail Transport Equipment (CPC 8868).**

#### **EC request:**

- Modes 2 and 3: Take full commitments, i.e. schedule “none”, under MA and NT
- Mode 4: Commit as referred in the section “Horizontal commitments”

## **F. ROAD TRANSPORT**

### **b) Freight Transportation (CPC 7123).**

Korea has made commitments for this activity, with the restriction that licenses are granted only to international shipping companies.

#### **EC request:**

- Mode 3: Take full commitments, i.e. schedule “none”, under MA and NT
- Mode 4: Commit as referred in the section “Horizontal commitments”

### **d) Maintenance and Repair of Road Transport Equipment (CPC 6112)**

Korea has no commitment for this activity.

#### **EC request:**

- Modes 1, 2 and 3: Take full commitments, i.e. schedule “none”, under MA and NT
- Mode 4: Commit as referred in the section “Horizontal commitments”

## **H. SERVICES AUXILIARY TO ALL MODES OF TRANSPORT**

Korea has commitments for these sub-groups with a restriction to the context of maritime transport.

### **b) Storage and Warehouse Services (CPC 742)**

#### **EC request:**

- Modes 2 and 3: Take full commitments, i.e. schedule “none”, under MA and NT
- Mode 4: Commit as referred in the section “Horizontal commitments”

**c) Freight Transport Agency/Freight Forwarding Services (CPC 748) and Pre-Shipment Inspection (part of CPC 749)**

**EC request:**

- Modes 1, 2 and 3: Take full commitments, i.e. schedule “none”, under MA and NT
- Mode 4: Commit as referred in the section “Horizontal commitments”

**ANNEX 1: SCHEDULE ON MARITIME TRANSPORT SERVICES**

SECTOR OR SUB-SECTOR	LIMITATIONS ON MARKET ACCESS	Limitations on National Treatment	ADDITIONAL COMMITMENTS
<p>TRANSPORT SERVICES MARITIME TRANSPORT SERVICES International Transport (freight and passenger) CPC 7211 and 7212 <u>less</u> cabotage transport (as defined below – 1)</p>	<p>1) (a) <u>Liner Shipping</u>: none (b) <u>Bulk, tramp, and other international shipping, including passenger transportation</u>: none</p> <p>2) None</p> <p>3) (a) Establishment of registered company for the purpose of operating a fleet under the national flag of the State of establishment: unbound (b) Other forms of commercial presence for the supply of international maritime transport services (as defined below – 2): none</p> <p>4) (a) Ships crews: unbound (b) Key personnel employed in relation to a commercial presence as defined under mode 3b) above: Unbound except as in horizontal section</p>	<p>1) (a) None (b) None</p> <p>2) None</p> <p>3) (a) Unbound</p> <p>(b) None</p> <p>4) (a) Unbound (b) Unbound except as in horizontal section</p>	<p>The following services at the port are made available to international maritime transport suppliers on reasonable and no discriminatory terms and conditions</p> <ol style="list-style-type: none"> <li>1. Pilotage</li> <li>2. Towing and tug assistance</li> <li>3. Provisioning, fuelling and watering</li> <li>4. Garbage collecting and ballast waste disposal</li> <li>5. Port Captain’s services</li> <li>6. Navigation aids</li> <li>7. Shore-based operational services essential to ship operations, including communications, water and electrical supplies</li> <li>8. Emergency repair facilities</li> <li>9. Anchorage, berth and berthing services</li> </ol>

Sector or Sub-Sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
MARITIME AUXILIARY SERVICES Maritime Cargo Handling Services (as defined below – 4)	1) Unbound* except for – no limitation on transshipment (board to board or via the quay) and/or on the use of on-board cargo handling equipment 2) None 3) None** 4) Unbound except as in horizontal section	1) Unbound* except for no limitation on transshipment (board to board or via the quay) and/or on the use of on-board cargo handling equipment 2) None 3) None 4) Unbound except as in the horizontal section	
Storage and warehousing Services CPC 742	1) Unbound* 2) None 3) None** 4) Unbound except as in horizontal section	1) Unbound* 2) None 3) None 4) Unbound except as in the horizontal section	
Customs Clearance Services (as defined below – 5)	1) Unbound* 2) None 3) None** 4) Unbound except as in horizontal section	1) Unbound* 2) None 3) None 4) Unbound except as in the horizontal section	
Container Station and Depot Services (as defined below – 6)	1) Unbound* 2) None 3) None** 4) Unbound except as in horizontal section	1) Unbound* 2) None 3) None 4) Unbound except as in the horizontal section	
Maritime Agency Services (as defined below – 7)	1) None 2) None 3) None 4) Unbound except as in horizontal section	1) None 2) None 3) None 4) Unbound except as in the horizontal section	
(Maritime) Freight Forwarding Services (as defined below – 8)	1) None 2) None 3) None 4) Unbound except as in horizontal section	1) None 2) None 3) None 4) Unbound except as in the horizontal section	

\* A commitment on this mode of delivery is not feasible.

\*\* Public utility concession or licensing procedures may apply in case of occupation of the public domain.

## NOTE TO THE SCHEDULE

Where road, rail, inland waterways (and) (related) (auxiliary) services are not otherwise fully covered in (this) (a Member's) schedule, a multimodal transport operator shall have the ability to rent or lease trucks, railway carriages or barges, and related equipment, for the purpose of inland forwarding of cargoes, or have access to, and use of, these forms of multimodal activities on reasonable and non-discriminatory terms and conditions for the purpose of carrying out multimodal transport operations. (« Reasonable and non-discriminatory terms and conditions » means, for the purpose of (multimodal transport operations), (this additional commitment), the ability of the multimodal transport operator to arrange for the conveyance of its merchandise on a timely basis, including priority over other merchandise which has entered the port at a later date).

### DEFINITIONS

1. Without prejudice to the scope of activities which may be considered as « cabotage » under the relevant national legislation, this schedule does not include « maritime cabotage services », which are assumed to cover transportation of passengers or goods between a port located in ... (name of country or, for EEC, « a Member State ») and another port located in ... (name of the country or, for EEC, « the same Member State ») and traffic originating and terminating in ... the same port located in (name of country, or for the EEC, « a Member State ») provided that this traffic remains within ... (name of country or « this Member State »)'s territorial waters.

2. « Other forms of commercial presence for the supply of international maritime transport services » means the ability for international maritime transport service suppliers of other Members to undertake locally all activities which are necessary for the supply to their customers of a partially or fully integrated transport service, within which the maritime transport constitutes a substantial element. (This commitment shall however not be construed as limiting in any manner the commitments undertaken under the cross-border mode of delivery).

These activities include, but are not limited to:

- (a) marketing and sales of maritime transport and related services through direct contact with customers, from quotation to invoicing, these services being those operated or offered by the service supplier itself or by service suppliers with which the service seller has established standing business arrangements;
- (b) the acquisition, on their own account or on behalf of their customers (and the resale to their customers) of any transport and related services, including inward transport services by any mode, particularly inland waterways, road and rail, necessary for the supply of the integrated services;
- (c) the preparation of documentation concerning transport documents, customs documents, or other documents related to the origin and character of the goods transported;
- (d) the provision of business information by any means, including computerised information systems and electronic data interchange (subject to the provisions of the annex on telecommunications);
- (e) the setting up of any business arrangements (including participation in the stock of a company) and the appointment of personnel recruited locally (or, in the case of foreign personnel, subject to the horizontal commitment on movement of personnel) with any locally established shipping agency;
- (f) acting on behalf of the companies, organising the call of the ship or taking over cargoes when required.

3. « Multimodal transport operators » means the person on whose behalf the bill of lading /multimodal transport document, or any other document evidencing a contract of multimodal carriage of goods, is issued and who is responsible for the carriage of goods pursuant to the contract of carriage.
4. « Maritime cargo handling services » means activities exercised by stevedore companies, including terminal operators, but not including the direct activities of dockers, when this workforce is organised independently of the stevedoring or terminal operator companies. The activities covered include the organisation and supervision of:
- the loading/discharging of cargo to/from a ship;
  - the lashing/unlashing of cargo;
  - the reception/delivery and safekeeping of cargoes before shipment or after discharge.
5. « Customs clearance services » (alternatively « customs house brokers' services ») means activities consisting in carrying out on behalf of another party customs formalities concerning import, export or through transport of cargoes, whether this service is the main activity of the service provider or a usual complement of its main activity.
6. « Container station and depot services » means activities consisting in storing containers, whether in port areas or inland, with a view to their stuffing/stripping, repairing and making them available for shipments.
7. « Maritime agency services » means activities consisting in representing, within a given geographic area, as an agent the business interests of one or more shipping lines or shipping companies, for the following purposes:
- marketing and sales of maritime transport and related services, from quotation to invoicing, and issuance of bills of lading on behalf of the companies, acquisition and resale of the necessary related services, preparation of documentation, and provision of business information;
  - acting on behalf of the companies organising the call of the ship or taking over cargoes when required.
8. « Freight forwarding services » means (the activity consisting of organising and monitoring shipment operations on behalf of shippers, through the acquisition of transport and related services, preparation of documentation and provision of business information).

## **ANNEX 2 FACILITATING AIR TRANSPORT SERVICES**

### **Ground-handling Services**

Efficient ground-handling is essential to the proper functioning of air transport and competition between operators in this area ensures that proper use is made of air transport infrastructure. It helps reduce the operating costs of airlines and improves the quality of service for airport users.

For specialised groundhandling suppliers the following activities are requested:

Ground Administration – supervision and administration at the airport (CPC 7461);  
Passenger Handling – assisting arriving, departing and transfer passengers (CPC 7461);  
Baggage Handling – handling baggage in the sorting area (CPC 7461);  
Freight and Mail Handling – physical handling of freight and mail, dealing with security and customs procedures (CPC 74110 (container handling services) and 74190 (other cargo handling services));  
Ramp Handling – marshalling and moving the aircraft, loading and unloading of aircraft, transport of passengers, freight, supplies (CPC 7469).  
Aircraft Services – cleaning the aircraft, heating and cooling, removal of snow and ice (CPC 7469);  
Fuel and Oil Handling – organisation and provision of fuel and oil;  
Aircraft Maintenance – covered specifically by the Annex as above;  
Flight Operations and Crew Administration – preparation of the flight, inflight and post-flight assistance, crew administration;  
Surface Transport – organisation and execution of transport within airport – except to and from aircraft;  
Catering Services (CPC 6423).addressed under the EC request on tourism and travel related services

### **Airport management services**

Airport management services constitute the core activities of airport services providers and cover: Airport operation services (excl. cargo handling), including passenger air terminal services and ground services on air fields, including runway operating services, on a fee or contract CPC 74610. Activities are also related to “other management consulting services” (CPC 86509) and activities separately specified under “other management services not elsewhere classified”(CPC 86609). A commitment will allow services suppliers to take an equity stake in - and engage in the overall operation and management of - airports when these are open for investments from private operators. Thereby it will bind existing common practices in the sector.

# ENERGY SERVICES

## EC REQUEST TO KOREA

This request includes services that were listed under the negotiating proposal of the EU (S/CSS/W/60). The work on the classification of these services is still underway. For this reason, some activities lack references to CPC.

The EC wishes to underline the significant contribution of an appropriate use of energy for the promotion of sustainable development.

The EC requests that this area is committed as follows:

### **A. SERVICES RELATED TO EXPLORATION AND PRODUCTION**

#### **CPC 883: Services incidental to mining**

##### **EC Request:**

- Mode 3 and 4: Eliminate the limitation to consultancy services.

#### **CPC 511 and CPC 513: Construction and related engineering services**

- Mode 3: MA – New licenses are issued during a specific period every year. **EC Request:** Eliminate this limitation.
- Mode 3: MA – Limits on contract amount per contract. **EC Request:** Remove these restrictions.

### **B. SERVICES RELATED TO THE CONSTRUCTION OF ENERGY FACILITIES**

#### **B.1 Construction of energy facilities**

##### **CPC 513: Construction work for civil engineering**

##### **CPC 51340: For long distance pipelines, communication and power lines (cables)**

##### **CPC 51350: For local pipelines and cables; ancillary works**

##### **CPC 51360: For constructions for mining and manufacturing (including power plants)**

These sub-sectors are not totally committed. **EC Request:**

- Mode 3: Take full commitments, i.e. schedule "none".
- Mode 4: Commit as referred in the section "Horizontal commitments".

#### **B.2 Installation and assembly work**

##### **CPC 516: Installation and assembly work**

- Mode 3: MA – New licenses are issued during a specific period every year.  
**EC Request:** Eliminate this limitation.
- Mode 3: MA – Limits on contract amount per contract.**EC Request:** Remove these restrictions.

## **C. SERVICES RELATED TO NETWORKS**

### **C.1 Operation of transportation/transmission and distribution facilities**

#### **Services incidental to energy distribution (including operation of transmission/distribution of electricity)**

This sub-sector is not committed. **EC Request:**

- Modes 3: Take commitments for operation of networks not part of the integrated system.
- Mode 4: Commit as referred in the section "Horizontal commitments".

#### **CPC 71310: Transportation of petroleum and natural gas**

This sub-sector is not committed. **EC Request:**

- Mode 3: Take commitments for operation of networks not part of the integrated system.
- Mode 4: Commit as referred in the section "Horizontal commitments".

## **E. SERVICES FOR THE SUPPLY OF ENERGY**

### **E.1 Wholesale of energy products**

#### **Wholesale trade services of electricity**

**EC Request:**

- Modes 3: Take full commitments, i.e. schedule “none”
- Mode 4: Commit as referred in the section "Horizontal commitments".

### **E. 2 Retail Sale of energy products**

#### **Retail sale trade services of electricity**

**EC Request:**

- Modes 3: Take commitments for the supply to industrial customers
- Mode 4: Commit as referred to in the section “Horizontal commitments”

### **E.3 Trading of energy products**

**EC Request:**

- Modes 1, 2, 3: Take full commitments, i.e. schedule “none”
- Mode 4: Commit as referred in the section "Horizontal commitments".

### **E.4 Brokering of energy products**

**EC Request:**

- Modes 1, 2, 3: Take full commitments, i.e. schedule “none”.
- Mode 4: Commit as referred in the section "Horizontal commitments".

**G. SERVICES RELATED TO DECOMMISSIONING**

**EC Request:**

- Modes 3: Take full commitments, i.e. schedule "none".
- Mode 4: Commit as referred in the section "Horizontal commitments".

## **MFN EXEMPTIONS**

### **EC REQUEST TO KOREA**

The EC asks that Korea remove its MFN exemption on Computerized Reservation System which allows discriminatory treatment on Access to foreign CRS through the SITA network (allowed only for domestic travel agencies which want to access CRS designated by carriers of the United States of America).