

## COMMUNICATION FROM JAPAN

### Review of Article II Exemptions

#### Additional Questionnaire on the List of MFN Exemptions with Regard to the Meeting of 29 May 2000

The attached paper has been received from the delegation of Japan with the request that it be circulated to Members of the Council for Trade in Services.

As a follow-up to the Special Session which was held on 29 May 2000, the following shows Japan's additional questions with regard to the responses given by Members during that Session. We should be grateful if we could receive replies from all concerned.

1. Concerning the questions to the US (137, 149, 154, 156, 158, 161, 162, 167, 169, 170, 171, 172 and 173), the US did not provide any replies during the Special Session on 29 May. However, it is understood that the above questions are the most essential in order to fulfill the purpose of the Review, as provided for in Article 4(a) of the "Annex on Article II Exemptions": that a review shall "examine whether the conditions which created the need for the exemption still prevail". In other words, these questions are within the purpose of the Annex (i.e. not "beyond the purpose of the Annex" as stated by the US) on the understanding that we require objective information for "educational" purposes. Thus, Japan believes that a contribution from the US, with reference to questions, is necessary in order to make this series of the Session meaningful. Again, Japan would like to ask the US to provide the relevant information in, as far as possible, written form.

2. With regard to the questions to Egypt (23) and to Israel (306), we were unable to receive any replies during the previous session. We would, therefore, like to ask Egypt and Israel to provide their response in, as much as possible, written form.

3. Concerning the questions to Canada (11, 12, 13, 14, 15, 188), to Chile (18), EC (33, 34, 38, 49, 50, 213, 214, 215, 216, 217, 218, 222), to Poland (89, 90, 91, 92), to Sweden (111, 112, 113, 114), to Costa Rica (255, 256) and to Turkey (295, 296), we were not given an adequate explanation. We would, therefore, like to ask those Members to provide a more precise explanation, for instance, together with concrete examples.

4. With regard to the question to Singapore (101), we highly appreciated Singapore's detailed explanation regarding the bilateral Investment Guarantee Agreements (IGAs) on the basis of reciprocity. Has the increase in investment been enhanced as a result of the Investment Guarantee Agreements?

5. With regard to the question to the EC: Italy (31), the EC explained that the reciprocity requirement, referring to the authorization for the purchase of real estate in Italy by foreign natural persons and juridical persons, could be a means to promote less restrictive measures in those countries which do not allow foreign citizens to purchase real estate or which limit the exercise of such right. If that is the case, why do the other Member States of the EC not apply this measure? We would like to know why only Italy can enjoy the reciprocal benefits explained above?

6. With regard to the question to Switzerland (130), Switzerland explained that the concept of traditional recruiting areas for immigrants was no longer exclusive, nor exhaustive, and that the Swiss immigration policy was clearly evolving towards a broader criteria, such as qualification, training, or other specific reasons, rather than simply on the criteria of origin. Switzerland also provided the following countries, Canada, New Zealand and Australia, as examples benefiting from such new phenomena. We would like to know what kind of criteria has been newly applied for selecting additional countries to the EC and the EFTA countries, which already benefit from traditional recruiting? Are there any similarity in comparison to the EC and the EFTA?

7. With regard to the question to Singapore (182), Singapore explained that all foreign law firms and lawyers practising foreign law in Singapore are now required to apply for statutory registration with the Attorney General after the Legal Profession International Services Rules came into force on 5 May 2000. For the sake of transparency, we would be grateful if Singapore would let us know, the exact requirements and procedures for statutory registration. We would also be grateful if Singapore could explain the reason why those requirements and procedures cannot be applied to all Members on an MFN basis.

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