

WORLD TRADE ORGANIZATION

RESTRICTED

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**Council for Trade in Services
Special Session**

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MEXICO

Conditional Initial Offer

The following initial offer was received from the Delegation of Mexico on 16 May 2003 with the request that it be circulated to Members of the Council for Trade in Services.

I. INTRODUCTION

1. Pursuant to paragraph 6 of the Doha Ministerial Declaration concerning Members' commitment to submit a conditional initial offer for the negotiations provided for in Article XIX of the GATS, Mexico hereby submits its conditional initial offer of specific commitments in services.
2. By means of this offer, Mexico reiterates its WTO commitment to achieving a progressively higher level of liberalization and delivering effective access to its services markets.
3. Given that Mexico's offer takes the concepts set forth in Article I.3 of the GATS into account, the attached offer does not include services supplied in the exercise of governmental authority.
4. Furthermore, pursuant to Article VI of the GATS, Mexico reserves the right to establish, maintain and fully exercise its national legislation in order to achieve legitimate policy objectives in areas such as consumer protection, health and the environment, *inter alia*. Likewise, Mexico reserves the right to revise or amend this offer in the light of the outcome of the work of the Working Party on GATS Rules and the Working Party on Domestic Regulation.
5. Mexico reiterates that this offer is conditional and that it therefore reserves the right to withdraw, amend or supplement all or part of it at any time prior to the conclusion of the negotiations. It also reserves the right to submit technical amendments or corrections.

II. SPECIFIC COMMITMENTS

6. In the light of Mexico's desire to promote the progressive liberalization of trade in services, this contribution includes, *inter alia*, offers in the following sectors: professional services, computer and related services, research and development services, real-estate services, distribution services, environmental services, financial services, health and social services, tourism and travel-related services, recreational, cultural and sporting services, maritime transport services and rail transport services.
7. Insofar as was possible, Mexico drew up its Schedule of Commitments on the basis of the Services Sectoral Classification List (MTN.GNS/W/120) and in accordance with the definitions in the

United Nations' Provisional Central Product Classification. Attention should be drawn to the fact that several services sectors might be added once the review of consistency between the above classifications and the Mexican Classification of Activities and Products (CMAP) has been completed.

8. In the review of its specific commitments and submission of new commitments in this conditional initial offer, Mexico took into consideration the Guidelines for the Scheduling of Specific Commitments Under the General Agreement on Trade in Services (GATS), circulated in document S/L/92.

9. Mexico hereby expresses its willingness to comment on or clarify any doubts concerning this conditional initial offer. Questions should be addressed to the Permanent Mission of Mexico to the WTO at Geneva or the Ministry of the Economy (Directorate General of Negotiations in Services) in Mexico City.

MEXICO - CONDITIONAL INITIAL OFFER

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|--|--|---|------------------------|
| I. HORIZONTAL COMMITMENTS | | | |
| ALL SECTORS INCLUDED IN THIS SCHEDULE | <ul style="list-style-type: none"> 1) None 2) None 3) Foreign investment in activities reserved for Mexican nationals must be through neutral shares, the purchase of which must be quoted on the Mexican Stock Exchange. | <ul style="list-style-type: none"> 1) None 2) None 3) Foreigners may not acquire direct ownership of land and water in a 50 km. strip on the coastline and a 100 km. strip along the frontiers. Unbound for research and development subsidies and incentives to small service enterprises owned by Mexican nationals. <p>Mexican companies without a foreigner exclusion clause and which have signed the agreement referred to in Article 27.I of the Constitution may acquire immovable property in the restricted area for non-residential activities and must register the purchase with the Ministry of Foreign Affairs (SRE). Authorization from the SRE is required for credit institutions to acquire as a fideicommissum immovable property in the restricted area when the beneficiaries are Mexican companies without a foreigner exclusion clause or foreign natural or legal persons.</p> | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|---------------------|---|---|------------------------|
| | <p>The Foreign Investment Commission (CNIE) is the body responsible for establishing foreign investment policy guidelines and designing mechanisms to promote investment in Mexico, as well as a mandatory advisory body on foreign investment for federal public administration departments and agencies.</p> <p>In fulfilment of its terms of reference, the CNIE establishes the criteria for implementing legal and regulatory foreign investment provisions by issuing general resolutions. It also decides whether to authorize and, where appropriate, dictates the terms and conditions of foreign equity participation in economic activities and acquisitions subject to specific regulations under the Foreign Investment Law.</p> <p>The CNIE applies the following criteria when examining authorization requests:</p> <ul style="list-style-type: none"> - The impact on employment and worker training; - the technological contribution; - compliance with the environmental provisions in the relevant environmental legislation; and - in general, the contribution to enhancing the competitiveness of the country's productive system. | <p>The Foreign Investment Commission (CNIE) is the body responsible for establishing foreign investment policy guidelines and designing mechanisms to promote investment in Mexico, as well as a mandatory advisory body on foreign investment for federal public administration departments and agencies.</p> <p>In fulfilment of its terms of reference, the CNIE establishes the criteria for implementing legal and regulatory foreign investment provisions by issuing general resolutions. It also decides whether to authorize and, where appropriate, dictates the terms and conditions of foreign equity participation in economic activities and acquisitions subject to specific regulations under the Foreign Investment Law.</p> <p>The CNIE applies the following criteria when examining authorization requests:</p> <ul style="list-style-type: none"> - The impact on employment and worker training; - the technological contribution; - compliance with the environmental provisions in the relevant environmental legislation; and - in general, the contribution to enhancing the competitiveness of the country's productive system. | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|---------------------|---|---|------------------------|
| | <p>The CNIE, when examining the propriety of an application, may only impose requirements which do not distort international trade. It may also prevent foreign investment holdings for reasons of national security.</p> <p>Finally, the CNIE shall decide on a case-by-case basis whether or not to permit an acquisition or majority foreign equity ownership that is subject to its review under the Foreign Investment Law.</p> <p>Persons required to register shall renew their registration record annually, for which they must complete an economic-financial questionnaire in accordance with the respective regulations.</p> | <p>The CNIE, when examining the propriety of an application, may only impose requirements which do not distort international trade. It may also prevent foreign investment holdings for reasons of national security.</p> <p>Finally, the CNIE shall decide on a case-by-case basis whether or not to permit an acquisition or majority foreign equity ownership that is subject to its review under the Foreign Investment Law.</p> <p>Persons required to register shall renew their registration record annually, for which they must complete an economic-financial questionnaire in accordance with the respective regulations.</p> | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|---------------------|---|--|------------------------|
| | <p>4) Unbound, except for measures affecting the entry and temporary stay of natural persons in the following categories: a) persons directly responsible for the sale of a service, and b) persons transferred within the same enterprise, provided that they are executives, managers or specialists.</p> <p>For the purposes of this offer:</p> <p>a) <u>persons directly responsible for the sale of a service</u> means persons representing an enterprise that carries out an activity in a country party to the Agreement who are to enter Mexican territory temporarily (for up to 90 days) in order to sell or negotiate the sale of a service or conclude agreements for the sale of the said service on behalf of the enterprise that they represent, provided that this does not, under any circumstances, constitute a direct sale to the general public.</p> <p>b) <u>persons transferred within the same enterprise</u> means the employees of an enterprise who have been employed by that enterprise for at least a year proceeding their temporary entry into Mexican territory (one year with option of renewal) in order to continue providing their services in that enterprise or a subsidiary thereof in accordance with the relevant national laws. This offer is restricted to executives, managers and specialists.</p> | <p>4) Unbound, except for measures affecting the categories of natural persons indicated in the market access column. The following activities are reserved for Mexican nationals: ship captains, aircraft pilots, ship masters, ship engineers, ship mechanics, crews of ships and aircraft under the Mexican flag, airport managers, harbour pilots, Customs brokers and train crews. Subsidies granted to natural persons may be limited to Mexican citizens.</p> | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|---------------------|---|-----------------------------------|------------------------|
| | <ul style="list-style-type: none"> - <u>executives</u> are persons in an enterprise who primarily direct its management or establish its goals and policies or those of any of its main components or activities, exercise wide latitude in decision-making and receive only general supervision and instructions from higher-level executives, the Board of Directors or shareholders of the enterprise. - <u>managers</u> are persons in an enterprise who direct the enterprise or its departments or divisions, supervise and control the work of other supervisory, professional or managerial staff, have the authority to hire, dismiss and take other personnel actions and exercise discretionary authority over higher-level day-to-day operations. - <u>specialists</u> are persons within an enterprise who possess advanced and proprietary knowledge of the enterprise's production, services, research equipment, techniques or management. | | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|--|---|---|------------------------|
| II. SECTOR-SPECIFIC COMMITMENTS | | | |
| 1. BUSINESS SERVICES | | | |
| A. <u>Professional Services</u> ¹ | | | |
| b) Accounting, auditing and bookkeeping services (CPC 862) | 1) None 2) None 3) Foreign investment of up to 49 per cent of the registered capital of enterprises. 4) Unbound, except as indicated in the horizontal section. | 1) None 2) None 3) Foreign accounting and auditing enterprises must use the name of their Mexican partners. 4) Unbound, except as indicated in the horizontal section. | |
| d) Consultancy and technical studies for architecture (CPC 8671) | 1) None 2) None 3) None Foreign investment of up to 100 per cent of the registered capital of enterprises. 4) Unbound, except as indicated in the horizontal section. | 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| e) Consultancy and technical studies for engineering (CPC 8672) | 1) None 2) None 3) None Foreign investment of up to 100 per cent of the registered capital of enterprises. 4) Unbound, except as indicated in the horizontal section. | 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| f. Integrated engineering services (CPC 8673) | 1) Unbound 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | 1) Unbound 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |

¹ A degree that has been recognized or confirmed by the Ministry of Public Education (SEP) and a professional licence are required to exercise a profession in Mexico. Special requirements must be met by engineers, architects and doctors.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|--|---|--|------------------------|
| g. Urban planning and landscape architectural services (CPC 8674) h) Medical and dental services (CPC 9312) B. <u>Computer and related services</u> a. Consultancy services related to the installation of computer hardware (CPC 841) b. Software implementation services (CPC 842) | 1) Unbound 2) None 3) None 4) Unbound, except as indicated in the horizontal section. 1) None 2) None 3) None Foreign investment of up to 100 per cent of the registered capital of enterprises. 4) Unbound, except as indicated in the horizontal section. 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | 1) Unbound 2) None 3) None 4) Unbound, except as indicated in the horizontal section. 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|--|---|---|------------------------|
| c) Systems analysis and data processing services (CPC 843) | 1) None 2) None 3) None Foreign investment of up to 100 per cent of the registered capital of enterprises. 4) Unbound, except as indicated in the horizontal section. | 1) None 2) None 3) None The duty free system with exemption from import duties applicable to the production of goods in this activity is intended solely for domestic producers (Computer Industry Modernization Programme, 1990). 4) Unbound, except as indicated in the horizontal section. | |
| d. Database services (CPC 844) | 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| e. Other (CPC 845 and 849) | 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| C. <u>Research and development services</u> (CPC 85) | 1) None 2) None 3) Foreign investment of up to 49 per cent of the registered capital of enterprises and up to 100 per cent for research and technological development centres. 4) Unbound, except as indicated in the horizontal section. | 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|---|---|---|------------------------|
| D. <u>Real estate services</u> | | | |
| a. Real estate services involving own or leased property (CPC 821) Other than: Real estate services involving own property | 1) Unbound 2) None 3) None. 4) Unbound, except as indicated in the horizontal section. | 1) Unbound 2) None 3) None. 4) Unbound, except as indicated in the horizontal section. | |
| b. Real estate services on a fee or contract basis (CPC 822) | 1) Unbound 2) None 3) None. 4) Unbound, except as indicated in the horizontal section. | 1) Unbound 2) None 3) None. 4) Unbound, except as indicated in the horizontal section. | |
| E. <u>Rental/leasing services without operators</u> | | | |
| a) Leasing or rental services concerning vessels without operator (CPC 83103) | 1) Unbound 2) None 3) Foreign investment only up to 49 per cent of the registered capital of enterprises. 4) Unbound, except as indicated in the horizontal section. | 1) Unbound 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| b. Leasing or rental services concerning aircraft without operator (CPC 83104) | 1) Unbound 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | 1) Unbound 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |

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|---|---|---|------------------------|
| <p>c) Leasing or rental services concerning other means of transport without operator:</p> <p>- Rental of cars without driver (CPC 83101)</p> | <p>1) Unbound 2) None 3) Foreign investment of up to 51 49 per cent of the registered capital of enterprises. Enterprises incorporated as trading companies under Mexican law and the corporate purpose of which explicitly provides for leasing are required to register with the Ministry of Communications and Transport. Foreign investment may not exceed 49 per cent of the registered capital of enterprises engaged in leasing or rental services concerning means of maritime transport. 4) Unbound, except as indicated in the horizontal section.</p> <p>1) Unbound 2) None 3) Foreign investment of up to 51 49 per cent of the registered capital of enterprises. Enterprises incorporated as trading companies under Mexican law and the corporate purpose of which explicitly provides for leasing are required to register with the Ministry of Communications and Transport. Car rental companies must have a tourist licence issued by the Ministry of Tourism (SECTUR). 4) Unbound, except as indicated in the horizontal section.</p> | <p>1) Unbound 2) None 3) None</p> <p>4) Unbound, except as indicated in the horizontal section.</p> <p>1) Unbound 2) None 3) None</p> <p>4) Unbound, except as indicated in the horizontal section.</p> | |
| d) Leasing or rental services concerning other machinery and equipment without operator | | | |

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| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|---|--|---|------------------------|
| - Rental services concerning agricultural and fishery machinery and equipment (CPC 83106) | 1) None 2) None 3) None Foreign investment of up to 49 per cent of the registered capital of enterprises. 4) Unbound, except as indicated in the horizontal section. | 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| - Rental services concerning industrial machinery and equipment (CPC 83109) | 1) None 2) None 3) None Foreign investment of up to 49 per cent of the registered capital of enterprises. 4) Unbound, except as indicated in the horizontal section. | 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| e) Other | | | |
| - Rental services concerning electronic equipment for data processing (CPC 83108) | 1) None 2) None 3) Foreign investment of up to 49 per cent of the registered capital of enterprises. 4) Unbound, except as indicated in the horizontal section. | 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| - Rental services concerning office equipment and furniture (CPC 83108) | 1) None 2) None 3) None Foreign investment of up to 49 per cent of the registered capital of enterprises. 4) Unbound, except as indicated in the horizontal section. | 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| - Rental services concerning televisions, sound equipment, video-cassette recorders and musical instruments (CPC 83201) | 1) None 2) None 3) None Foreign investment of up to 49 per cent of the registered capital of enterprises. 4) Unbound, except as indicated in the horizontal section. | 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|--|--|---|------------------------|
| <ul style="list-style-type: none"> - Rental services concerning professional photographic equipment and projectors (CPC 83209) - Rental services concerning other machinery, equipment and furniture not mentioned above (CPC 83109) | <ul style="list-style-type: none"> 1) None 2) None 3) None Foreign investment of up to 49 per cent of the registered capital of enterprises. 4) Unbound, except as indicated in the horizontal section. | <ul style="list-style-type: none"> 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| F. <u>Other business services</u> | | | |
| a) Advertising and related activities (excluding broadcasting) (CPC 871) | <ul style="list-style-type: none"> 1) None 2) None 3) Foreign investment of up to 49 per cent of the registered capital of enterprises. 4) Unbound, except as indicated in the horizontal section. | <ul style="list-style-type: none"> 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| b) Market research services (CPC 8640) | <ul style="list-style-type: none"> 1) Unbound 2) None 3) None Foreign investment of up to 100 per cent of the registered capital of enterprises. | <ul style="list-style-type: none"> 1) None 2) None 3) None | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|--|--|---|------------------------|
| c) Management consulting services | <p>4) Unbound, except as indicated in the horizontal section.</p> <p>1) None 2) None 3) None Foreign investment of up to 100 per cent of the registered capital of enterprises. 4) Unbound, except as indicated in the horizontal section.</p> | <p>4) Unbound, except as indicated in the horizontal section.</p> <p>1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.</p> | |
| d) Administrative formalities and collection services (CPC 8660) | <p>1) None 2) None 3) Foreign investment of up to 49 per cent of the registered capital of enterprises. Direct or indirect foreign equity partnership in excess of 49 per cent requires prior authorization from the Foreign Investment Commission (CNIE). 4) Unbound, except as indicated in the horizontal section.</p> | <p>1) Unbound 2) None 3) None 4) Unbound, except as indicated in the horizontal section.</p> | |
| e. Technical testing and analysis services (CPC 8676) | <p>1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.</p> | <p>1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.</p> | |
| f) Services incidental to agriculture, hunting and forestry: - Professional services incidental to agriculture (CPC 8811) | <p>1) None 2) None 3) Foreign investment of up to 49 per cent of the registered capital of enterprises. 4) Unbound, except as indicated in the horizontal section.</p> | <p>1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. Application of pesticides reserved for Mexican nationals.</p> | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|--|---|---|------------------------|
| - Professional services incidental to animal husbandry (CPC 8812) | 1) None 2) None 3) Foreign investment of up to 49 per cent of the registered capital of enterprises. 4) Unbound, except as indicated in the horizontal section. | 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. Only Mexican nationals may be responsible for the handling and application of chemical, pharmaceutical and biological substances. | |
| k) Placement and supply services of personnel (CPC 8720) | 1) Unbound 2) None 3) None Foreign investment of up to 49 per cent of the registered capital of enterprises. 4) Unbound, except as indicated in the horizontal section. | 1) Unbound 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| l) Protection and guard services (CPC 8730) | 1) Unbound 2) None 3) Foreign investment of up to 49 per cent of the registered capital of enterprises. 4) Unbound, except as indicated in the horizontal section. | 1) Unbound 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| n) Maintenance and repair of equipment, not including maritime vessels, aircraft or other transport equipment: | | | |
| - Repair and maintenance of industrial machinery and equipment (CPC 8862) | 1) None 2) None 3) None Foreign investment of up to 49 per cent of the registered capital of enterprises. 4) Unbound, except as indicated in the horizontal section. | 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|--|---|---|------------------------|
| - Repair and maintenance of professional technical equipment and instruments (CPC 8866) | 1) None 2) None 3) None Foreign investment of up to 49 per cent of the registered capital of enterprises. 4) Unbound, except as indicated in the horizontal section. | 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| - Repair and maintenance of machinery and equipment for general use, not assignable to any specific activity (CPC 886) | 1) None 2) None 3) None Foreign investment of up to 49 per cent of the registered capital of enterprises 4) Unbound, except as indicated in the horizontal section. | 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| o) Building-cleaning services (CPC 8740) | 1) None 2) Unbound* 3) None Foreign investment of up to 49 per cent of the registered capital of enterprises 4) Unbound, except as indicated in the horizontal section. | 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| p) Photographic services | | | |
| - Photography and motion-picture processing services (CPC 87505 and 87506) | 1) None 2) Unbound* 3) None Foreign investment of up to 49 per cent of the registered capital of enterprises 4) Unbound, except as indicated in the horizontal section. | 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|---|--|--|------------------------|
| r. Printing and publishing (CPC 88442) Includes only: - Publishing of books and similar products - Printing and binding (other than printing of newspapers for circulation in Mexico alone) - Printing, publishing and allied industries (other than the manufacture of printing types, as classified under category 3811 "casting and moulding of ferrous and non-ferrous metal parts") | 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| s. Convention services (CPC 87909*) | 1) Unbound * 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | 1) Unbound * 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| t) Other - Credit-reporting services (CPC 87901) | 1) None 2) None 3) Foreign investment of up to 49 per cent of the registered capital of enterprises. Direct or indirect foreign equity participation in excess of 49 per cent requires prior authorization from the Foreign Investment Commission (CNIE). 4) Unbound, except as indicated in the horizontal section. | 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|--|--|---|------------------------|
| - Speciality design services (CPC 87907) | 1) None 2) None 3) None Foreign investment of up to 49 per cent of the registered capital of enterprises. 4) Unbound, except as indicated in the horizontal section. | 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| - Industrial design services (CPC 86725) | 1) None 2) None 3) None Foreign investment of up to 49 per cent of the registered capital of enterprises. 4) Unbound, except as indicated in the horizontal section. | 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| - Photocopying and similar services (CPC 87904) | 1) None 2) None 3) None Foreign investment of up to 49 per cent of the registered capital of enterprises. 4) Unbound, except as indicated in the horizontal section. | 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| t. Translation services (CPC 87905) | 1) Unbound 2) None 3) Foreign equity participation of up to 100 per cent. 4) Unbound, except as indicated in the horizontal section. | 1) Unbound 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| - Washing and cleaning services (CPC 97011) | 1) Unbound* 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | 1) Unbound* 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|--|--|--|------------------------|
| 2. COMMUNICATION SERVICES B. <u>Courier services</u> - Courier services (CPC 7512) | 1) Unbound 2) None 3) Foreign investment of up to 49 per cent of the registered capital of enterprises. Requirements laid down for each specific means of transport must be fulfilled. 4) Unbound, except as indicated in the horizontal section. | 1) Unbound 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|--|--|--|--|
| <p>2.C. TELECOMMUNICATION SERVICES²</p> <p>Telecommunications services supplied by a facilities-based public telecommunications network (wire-based and radioelectric) through any existing technological medium included in subparagraphs (a), (b), (c), (f), (g) and (o).</p> <p>Radio broadcasting, cable television, DTH (direct-to-home) and DBS (direct broadcast satellite) satellite transmission and audio digital services are excluded.</p> | <p>1) None, except the following: International traffic must be routed through the facilities of an enterprise that has been granted a concession by the Ministry of Communications and Transport (SCT).</p> <p>2) None</p> <p>3) A concession³ from the SCT is required. Only enterprises established in conformity with Mexican law may obtain such a concession.</p> <p>Concessions for spectrum frequency bands for specific uses will be granted by public invitation to tender.</p> <p>Foreign governments may not participate in an enterprise set up under Mexican law nor obtain authorization to provide telecommunications services.</p> | <p>1) None</p> <p>2) None</p> <p>3) None</p> | <p>Mexico undertakes the obligations set out in the reference paper attached hereto.</p> |

² Mexico reserves the right to withdraw or amend all or part of this offer at any time prior to the conclusion of the negotiations as the result of a dispute settlement procedure.

³ Concession: Right granted to install, operate or use a facilities-based public telecommunications network.

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| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|---|--|--|------------------------|
| | <p>Direct Foreign investment of up to 49 per cent is permitted in an enterprise set up in accordance with Mexican law.</p> <p>Telecomunicaciones de Mexico (Telecomm) has exclusive rights to links with Intelsat and Inmarsat.</p> <p>Services other than international long-distance services which require use of satellites must use the Mexican satellite infrastructure until the year 2002.</p> | | |
| a. Voice telephony services (CPC 75211, 75212) | <p>4) Unbound, except as indicated in the horizontal section.</p> <p>1) None, except as indicated in 2.C.1). 2) None 3) As indicated in 2.C.3).</p> | <p>4) Unbound, except as indicated in the horizontal section.</p> <p>1) None 2) None 3) None</p> | |
| b. Packet-switched data transmission services (CPC 7523**) | <p>4) Unbound, except as indicated in the horizontal section.</p> | <p>4) Unbound, except as indicated in the horizontal section.</p> | |
| c. Circuit-switched data transmission services (CPC 7523**) | | | |
| f. Facsimile services (CPC 7521** and 7529**) | <p>1) None, except as indicated in 2.C.1). 2) None 3) As indicted in 2.C.3). A permit issued by the SCT is required to provide a public facsimile service. Only enterprises set up in accordance with Mexican law may obtain such a permit.</p> <p>4) Unbound, except as indicated in the horizontal section.</p> | <p>1) None 2) None 3) None</p> <p>4) Unbound, except as indicated in the horizontal section.</p> | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|---|---|---|------------------------|
| g. Private leased circuit services (CPC 7522** and 7523**) | 1) None, except as indicated in 2.C.1). 2) None 3) As indicated in 2. C. 3). Operators of private networks wishing to exploit services commercially must obtain a concession from the SCT, whereupon such networks assume the character of public telecommunications networks. 4) Unbound, except as indicated in the horizontal section. | 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| o. Other | 1) None, except as indicated in 2.C.1). 2) None 3) As indicated in 2.C.3). 4) Unbound, except as indicated in the horizontal section. | 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| - Paging services (CCP75291) | 1) None, except as indicated in 2.C.1). 2) None 3) As indicated in 2.C.3). 4) Unbound, except as indicated in the horizontal section. | 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| - Mobile telephone services (75213**) on the "A" and "B" bands ⁴ | 1) None, except as indicated in 2.C.1). 2) None 3) As indicated in 2.C.3). Foreign investment in excess of 49 per cent of an enterprise's capital requires authorization from the Foreign Investment Commission. 4) Unbound, except as indicated in the horizontal section. | 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |

⁴ Frequencies 825-835/870-880 and 835-845/880-890 Mhz.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|---|--|--|------------------------|
| - Commercial agencies ⁵ | <p>1) None, except as indicated in 2.C.1).</p> <p>2) None</p> <p>3) None except: A permit issued by the SCT is required. Only enterprises set up in accordance with Mexican law may obtain such a permit.</p> <p>Foreign governments may not participate in an enterprise set up in accordance with Mexican law nor obtain any authorization to provide telecommunications services.</p> <p>Except where specifically approved by the SCT, public telecommunications network concessionaires may not participate, either directly or indirectly, in the capital of a commercial agency.</p> <p>The establishment and operation of commercial agencies is invariably subject to the respective regulations. The SCT will not grant permits for the establishment of a commercial agency until the corresponding regulations are issued.</p> <p>4) Unbound, except as indicated in the horizontal section.</p> | <p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section.</p> | |
| o) Other telecommunication services Value-added services | <p>1) A permit is required to provide services using radio-electric space. A permit from the Ministry of Communications and Transport (SCT) is required to establish private networks and supply value-added services. The central equipment and systems for providing special telecommunications services must be located in Mexican territory.</p> | <p>1) None</p> | |

⁵ Agencies which, without owning transmission media, provide third parties with telecommunications services by using capacity leased from a public network concessionaire.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|---|--|--|------------------------|
| (telecommunication services employing computer-processing systems that: (a) act on the format, content, protocol or similar aspects of a customer's transmitted information; (b) provide a customer with additional, different or restructured information; or (c) involve customer interaction with stored information). | <p>2) None</p> <p>3) Foreign investment only up to 49 per cent of the registered capital of enterprises. A permit is required to provide services using radio-electric space. A permit from the SCT is required to establish private networks and supply value-added services.</p> <p>There is an exclusive provider of airline computer reservation services. Thirty per cent of the excess capacity of private circuits may be rented or sold. A permit from the SCT is required for cross-border connections and long-distance services for third users are prohibited.</p> <p>4) Unbound, except as indicated in the horizontal section.</p> | <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section.</p> | |
| D. <u>Audiovisual services</u> | | | |
| a) Private motion-picture distribution services (CPC 96112) | <p>1) None</p> <p>2) None</p> <p>3) Foreign investment of up to 49 100 per cent of the registered capital of enterprises. Film screening requires a permit issued by the Ministry of the Interior.</p> <p>4) Unbound, except as indicated in the horizontal section.</p> | <p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section. The Actors' Union requires that a Mexican be hired for every foreigner hired for a given activity.</p> | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|--|--|---|------------------------|
| b) Private motion-picture projection services (CPC 96121) 3. CONSTRUCTION AND RELATED ENGINEERING SERVICES A. <u>General construction work for buildings</u> - Residential or housing building (CPC 5121 and 5122) - Non-residential buildings (CPC 5124, 5127 and 5128) | 1) None 2) None 3) Foreign investment of up to 49 per cent of the registered capital of enterprises. Film screening requires a permit issued by the Ministry of the Interior (SG). Distributors of films produced outside and in Mexico must donate a copy of each imported film title to the National Film Library. 4) Unbound, except as indicated in the horizontal section. 1) Unbound 2) Unbound* 3) Foreign investment only up to 49 per cent of the registered capital of enterprises. 4) Unbound, except as indicated in the horizontal section. 1) Unbound 2) Unbound* 3) Foreign investment only up to 49 per cent of the registered capital of enterprises. 4) Unbound, except as indicated in the horizontal section. | 1) None 2) None 3) 30 10 per cent of screen time must be devoted to Mexican films. For each copy screened in Mexico, a copy must be processed in a Mexican laboratory, with the exception of foreign films of which not more than six copies are marketed. 4) Unbound, except as indicated in the horizontal section. 1) Unbound 2) Unbound* 3) None 4) Unbound, except as indicated in the horizontal section. 1) Unbound 2) Unbound* 3) None 4) Unbound, except as indicated in the horizontal section. | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|---|---|--|------------------------|
| <p>B. <u>General construction work for civil engineering</u></p> <ul style="list-style-type: none"> - Construction of urban development works (CPC 5131 and 5135) - Construction of industrial buildings (excluding electric power stations and plants for the piping of oil and oil products) (CPC 52121) - Other construction (excluding construction of maritime and river works, highway and transport works and track construction) (CPC 52269) <p>Other than shared risk contracts related to the exploitation and drilling of oil and gas wells and the construction of pipelines for petroleum and refined oil products.</p> | <ul style="list-style-type: none"> 1) Unbound 2) Unbound* 3) Foreign investment only up to 49 per cent of the registered capital of enterprises. 4) Unbound, except as indicated in the horizontal section. 1) Unbound 2) Unbound* 3) Foreign investment only up to 49 per cent of the registered capital of enterprises. 4) Unbound, except as indicated in the horizontal section. 1) Unbound 2) Unbound* 3) Foreign investment only up to 49 per cent of the registered capital of enterprises. 4) Unbound, except as indicated in the horizontal section. | <ul style="list-style-type: none"> 1) Unbound 2) Unbound* 3) None 4) Unbound, except as indicated in the horizontal section. 1) Unbound 2) Unbound* 3) None 4) Unbound, except as indicated in the horizontal section. 1) Unbound 2) Unbound* 3) None 4) Unbound, except as indicated in the horizontal section. | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|--|--|---|------------------------|
| <p>D. <u>Building completion and finishing work</u></p> <p>- Electrical, plumbing and drainage installations in buildings (excluding telecommunication installations and other special installations) (CPC 5161-5164)</p> | <p>1) Unbound</p> <p>2) Unbound*</p> <p>3) Foreign investment only up to 49 per cent of the registered capital of enterprises.</p> <p>4) Unbound, except as indicated in the horizontal section.</p> | <p>1) Unbound</p> <p>2) Unbound*</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section.</p> | |
| <p>E. <u>Other</u></p> <p>- Special work, including earth moving, foundations, underground excavation, under-water work, signalling and protection installations, demolition, construction of drinking water or water treatment plants (excluding sinking of oil, gas and water wells) (CPC 511 and 515)</p> | <p>1) Unbound</p> <p>2) Unbound*</p> <p>3) Foreign investment only up to 49 per cent of the registered capital of enterprises. Services relating to visual and electronic aids for runways are subject to approval and authorization by the Ministry of Communication and Transport (SCT).</p> <p>4) Unbound, except as indicated in the horizontal section.</p> | <p>1) Unbound</p> <p>2) Unbound*</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section.</p> | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|---|--|--|------------------------|
| <p>4. DISTRIBUTION SERVICES</p> <p>A. <u>Commission agents' services</u> (CPC 621)</p> <p>Includes only:</p> <p><u>Commission agents' services</u> (also includes sales representatives not considered part of the salaried personnel of a particular establishment).</p> <p>B. <u>Wholesale trade services</u></p> <ul style="list-style-type: none"> - Wholesale trade of non-food products, including animal feed (excluding petroleum-based fuels, coal, firearms, cartridges and ammunition) (CPC 622) - Wholesale trade of food, beverages and tobacco (CPC 6222) | <p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section.</p> <p>1) None</p> <p>2) None</p> <p>3) None Foreign investment of up to 100 per cent of the registered capital of enterprises.</p> <p>4) Unbound, except as indicated in the horizontal section.</p> <p>1) None</p> <p>2) None</p> <p>3) None Foreign investment of up to 100 per cent of the registered capital of enterprises.</p> <p>4) Unbound, except as indicated in the horizontal section.</p> | <p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section.</p> <p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section.</p> <p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section.</p> | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|---|--|---|------------------------|
| C. <u>Retail trade services</u> | | | |
| - Retail sales of food, beverages and tobacco in specialized establishments (CPC 6310) | 1) None 2) None 3) None Foreign investment of up to 100 per cent of the registered capital of enterprises. 4) Unbound, except as indicated in the horizontal section. | 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| - Retail sales of food products in supermarkets, self-service stores and shops (CPC 6310) | 1) None 2) None 3) Foreign investment of up to 100 per cent of the registered capital of enterprises. Trade union and co-operative stores do not allow foreign investment. 4) Unbound, except as indicated in the horizontal section. | 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| - Retail sales of non-food products in department stores and shops (CPC 632) | 1) None 2) None 3) Foreign investment of up to 100 per cent of the registered capital of enterprises. Trade union and co-operative stores do not allow foreign investment. 4) Unbound, except as indicated in the horizontal section. | 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| - Retail sales of motor vehicles, including tyres and spare parts (CPC 61112) | 1) None 2) None 3) Foreign investment of up to 100 per cent of the registered capital of enterprises. Trade union and co-operative stores do not allow foreign investment. 4) Unbound, except as indicated in the horizontal section. | 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|---|---|--|------------------------|
| <p>- Retail sales of non-food products in specialized establishments (excluding retail sales of liquefied fuel gas, charcoal, coal and other non-petroleum based fuels, paraffin and tractor vapourising oil (TVO), gasoline and diesel, firearms, cartridges and ammunition) (CPC 6329)</p> <p>5. PRIVATE EDUCATION SERVICES</p> <p>A. <u>Primary education services</u> (CPC 921)</p> | <p>1) None</p> <p>2) None</p> <p>3) Foreign investment of up to 100 per cent of the registered capital of enterprises. Trade union and co-operative stores do not allow foreign investment.</p> <p>4) Unbound, except as indicated in the horizontal section.</p> | <p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section.</p> | |
| | <p>1) None</p> <p>2) None</p> <p>3) Foreign investment only up to 49 per cent of the registered capital of enterprises. Prior authorization is required from the Ministry of Public Education (SEP) or the State authority.</p> <p>4) Unbound, except as indicated in the horizontal section.</p> | <p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section.</p> | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|---|--|---|------------------------|
| B. <u>Secondary education services</u> (CPC 922) | 1) None 2) None 3) Foreign investment only up to 49 per cent of the registered capital of enterprises. Prior authorization is required from the Ministry of Public Education (SEP) or the State authority. 4) Unbound, except as indicated in the horizontal section. | 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| C. <u>Higher education services</u> (CPC 923) | 1) None 2) None 3) Foreign investment only up to 49 per cent of the registered capital of enterprises. Prior authorization is required from the Ministry of Public Education (SEP) or the State authority. 4) Unbound, except as indicated in the horizontal section. | 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| E. <u>Other education services:</u> | | | |
| - Language education, special education and commercial training (CPC 9290) | 1) None 2) None 3) Foreign investment only up to 100 49 per cent of the registered capital of enterprises. Prior authorization is required from the Ministry of Public Education (SEP) or the State authority. 4) Unbound, except as indicated in the horizontal section. | 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|--|---|---|------------------------|
| 6. <u>ENVIRONMENTAL SERVICES</u>⁶ | | | |
| A. <u>Sewage services</u> (CPC 9401) | 1) Unbound 2) None 3) No restrictions at federal level. Unbound at State and municipal level. 4) Unbound, except as indicated in the horizontal section. | 1) Unbound 2) None 3) No restrictions at federal level. Unbound at State and municipal level. 4) Unbound, except as indicated in the horizontal section. | |
| C. <u>Sanitation services</u> (CPC 94030) | 1) Unbound 2) None 3) No restrictions at federal level. Unbound at State and municipal level. 4) Unbound, except as indicated in the horizontal section. | 1) Unbound 2) None 3) No restrictions at federal level. Unbound at State and municipal level. 4) Unbound, except as indicated in the horizontal section. | |

⁶ The level of disaggregation of each of this sector's subsectors is interpreted in accordance with Mexico's domestic legislative framework and may not correspond exactly to the stated CPC classification; Mexico therefore reserves the right to further clarify such levels in the course of the negotiations.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|--|--|--|------------------------|
| 7. FINANCIAL SERVICES | | | |
| A. <u>All insurance and insurance-related services</u> | | | |
| a. Life, accident and health insurance services (CPC 8121) | 1) Unbound 2) Unbound 3) Foreign investors may hold up to 40 49 per cent of paid-up capital and up to 30 per cent of non-voting paid-up capital. Foreign investment by governments and official agencies is not allowed. The limit on individual holdings by foreign investors is 10 per cent of paid up capital or up to 20 per cent of paid up capital with authorization from the Ministry of Finance and Public Credit (SHCP). Effective control of the enterprise by the Mexican shareholders is required. | 1) Unbound 2) Unbound 3) None | |
| b. Non-life insurance services (CPC 8129) | 4) Unbound, except as indicated in the horizontal section. Unbound | 4) Unbound, except as indicated in the horizontal section. Unbound | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|---|--|--|------------------------|
| c. Reinsurance and retrocession services (CPC 81299*) | <p>1) Foreign reinsurance companies may participate in reinsurance operations. According to the applicable regulations, such companies are required to register with the Ministry of Finance and Public Credit (SHCP), which may authorize or refuse registration.</p> <p>2) Unbound</p> <p>3) This activity may be carried out by insurance institutions. Foreign investors may hold up to 49 40-per cent of paid-up capital and up to 30 per cent of non-voting paid-up capital. Foreign investment by governments and official agencies is not allowed. The limit on individual holdings by foreign investors is 40 per cent of paid up capital or up to 20 per cent of paid up capital with authorization from the Ministry of Finance and Public Credit (SHCP). Effective control of the enterprise by the Mexican shareholders is required. Foreign reinsurance companies on the SHCP register may establish representative offices in the country with the prior authorization of this Ministry. Representative offices of foreign reinsurance companies, according to the applicable regulations, may not act directly or through an intermediary in direct insurance operations.</p> <p>4) Unbound, except as indicated in the horizontal section .Unbound</p> | <p>1) None</p> <p>2) Unbound</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section .Unbound</p> | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|--|--|--|------------------------|
| <p>d. Services auxiliary to insurance such as:</p> <ul style="list-style-type: none"> - insurance broking and agency services (CPC 8140) | <p>1) Unbound</p> <p>2) Unbound</p> <p>3) Foreign investors may hold up to 49 40 per cent of paid-up capital and up to 30 40 per cent of non-voting paid-up capital. The limit of 30 per cent of non-voting paid-up capital is not applicable; where appropriate, the AGM is responsible for establishing the corresponding percentage. Foreign investment by governments and official agencies is not allowed. The limit on individual holdings by foreign investors is 10 per cent of paid-up capital or up to 20 per cent of paid-up capital with authorization from the Ministry of Finance and Public Credit (SHCP). Effective control of the enterprise by the Mexican shareholders is required.</p> <p>4) Unbound, except as indicated in the horizontal section. Unbound</p> | <p>1) Unbound</p> <p>2) Unbound</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section. Unbound</p> | |
| <p>B. <u>Banking and other financial services</u> (excluding insurance)</p> <p>Mexican financial intermediaries in which foreign investment is allowed include: multiple banking institutions (commercial banks), securities firms, securities specialists, limited-purpose financial institutions, financial factoring companies, financial leasing companies, general deposit warehouses, foreign exchange firms, investment companies, managing companies of investment companies, guarantee institutions (bonding companies) and pension fund management companies.</p> <p>Foreign financial institutions, such as banks and securities firms, may establish representative offices in Mexico with the prior authorization of the Ministry of Finance and Public Credit (SHCP). Representative offices may not act as financial intermediaries, nor promote acceptance of funds by the firms they represent, but solely engage in placement.</p> <p>In accordance with the applicable legislation, foreign investment is not permitted in credit unions, savings and loan companies or development banking institutions.</p> | | | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|---|---|---|------------------------|
| a. Acceptance of deposits and other repayable funds from the public (CPC 81115-81119) | <p>1) Unbound</p> <p>2) Unbound</p> <p>3) This activity is restricted to multiple banking institutions. Foreign investors may hold up to 49 40 per cent of common stock capital and up to 100 per cent of the additional capital representing 40 per cent of non- limited-voting common stock.</p> <p>Foreign investment by artificial persons exercising governmental functions is not allowed. Individual holdings of more than 5 per cent of capital stock The limit on individual holdings by foreign investors is 5 per cent of capital stock or up to 20 per cent of capital stock with require prior authorization from the Ministry of Finance and Public Credit (SHCP). Effective control of the enterprise by the Mexican shareholders is required.</p> <p>In accordance with the applicable financial legislation, representative offices of banking institutions are excluded from this activity.</p> <p>4) Unbound, except as indicated in the horizontal section Unbound</p> | <p>1) Unbound</p> <p>2) Unbound</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section Unbound</p> | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|---|---|-------------------------------------|------------------------|
| b. Lending of all types, including, <i>inter alia</i> , consumer credit, mortgage credit, factoring and financing of commercial transactions (CPC 8113) | 1) Unbound 2) Unbound 3) Multiple banking institutions may carry out lending activities of all types, including consumer and mortgage credit, credit discounting and financing of commercial transactions. Foreign investors may hold up to 49 40 per cent of common stock capital and up to 100 per cent of the additional capital stock representing 40 per cent of non- limited -voting common stock. Foreign investment by artificial persons exercising governmental functions is not allowed. Individual holdings of more than The limit on individual holdings by foreign investors is 5 per cent of capital stock or up to 20 per cent of capital stock with require prior authorization from the Ministry of Finance and Public Credit (SHCP). Effective control of the enterprise by the Mexican shareholders is required. | 1) Unbound 2) Unbound 3) None | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|---------------------|---|--|------------------------|
| | <p>Limited purpose financial institutions may carry out only one financing activity, such as personal credit, consumer credit, mortgage credit or commercial credit. Foreign investors may hold up to 49 per cent of capital stock. Foreign investment by artificial persons exercising governmental functions is not allowed. Effective control of the enterprise by the Mexican shareholders is required.</p> <p>Financial factoring companies may carry out factoring activities. Foreign investors may hold up to 49 per cent of paid-up capital and up to 30 per cent of non-limited-voting paid-up capital. Foreign investment by artificial persons exercising governmental functions is not allowed. The limit on individual holdings is 10 per cent of paid-up capital. Effective control of the enterprise by the Mexican shareholders is required.</p> <p>4) Unbound, except as indicated in the horizontal section. Unbound.</p> | <p>4) Unbound, except as indicated in the horizontal section. Unbound.</p> | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|--|--|--|------------------------|
| c. Financial leasing services (CPC 8112) | <p>1) Unbound</p> <p>2) Unbound</p> <p>3) Financial leasing companies may carry out financial leasing activities. Foreign investors may hold up to 49 per cent of paid-up capital and up to 30 per cent of non- limited-voting paid-up capital. Foreign investment by artificial persons exercising governmental functions is not allowed. The limit on individual holdings is 10 per cent of paid-up capital. Effective control of the enterprise by the Mexican shareholders is required.</p> <p>Multiple banking institutions may carry out financial leasing activities. Foreign investors may hold up to 49 40-per cent of common stock capital and up to 100 per cent of the additional capital representing 40 per cent of non- limited-voting common stock. Foreign investment by artificial persons exercising governmental functions is not allowed. Individual holdings of more than 5 per cent of capital stock or up to 20 per cent of capital stock with require prior authorization from the Ministry of Finance and Public Credit (SHCP). Effective control of the enterprise by the Mexican shareholders is required.</p> <p>4) Unbound, except as indicated in the horizontal section. Unbound</p> | <p>1) Unbound</p> <p>2) Unbound</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section. Unbound</p> | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|---|---|--|------------------------|
| d. All payment and money transmission services (CPC 81339**) | <p>1) Unbound</p> <p>2) Unbound</p> <p>3) Multiple banking institutions may provide payment and money transmission services. Foreign investors may hold up to 49 per cent of common stock capital and up to 100 per cent of the additional capital representing 40 per cent of common stock capital with limited voting rights. Foreign investment by artificial persons exercising governmental functions is not allowed. Individual holdings of more than 5 per cent of capital stock require authorization from the Ministry of Finance and Public Credit (SHCP). Effective control of the enterprise by the Mexican shareholders is required.</p> <p>4) Unbound, except as indicated in the horizontal section.</p> | <p>1) Unbound</p> <p>2) Unbound</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section.</p> | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|--|---|--|------------------------|
| <p>f. Trading on own or customers' account on a stock exchange, over-the-counter market or otherwise, in:</p> <p>-Money market instruments (cheques, bills, certificates of deposit, etc.) (CPC 81339**)</p> | <p>1) Unbound</p> <p>2) Unbound</p> <p>3) Securities firms and securities specialists may carry out this activity. Foreign investors may hold up to 100 40 per cent of common stock capital and up to 100 per cent of the additional capital representing 40 per cent of non-limited-voting common stock. Foreign investment by artificial persons exercising governmental functions is not allowed. Individual holdings of more than 5 per cent of capital stock require authorization from the National Banking and Securities Commission (CNBV). The limit on individual holdings is 10 per cent of capital stock or up to 20 per cent of capital stock with authorization from the Ministry of Finance and Public Credit (SHCP). Effective control of the enterprise by the Mexican shareholders is required.</p> <p>4) Unbound, except as indicated in the horizontal section Unbound</p> | <p>1) Unbound</p> <p>2) Unbound</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section. Unbound</p> | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|-----------------------------------|--|---|------------------------|
| - Foreign exchange (CPC 81333) | <p>1) Unbound</p> <p>2) Unbound</p> <p>3) Multiple banking institutions may carry out this activity. Foreign investors may hold up to 49 40 per cent of common stock capital and up to 100 per cent of the additional capital representing 40 per cent of the non-limited-voting common stock. Foreign investment by artificial persons exercising governmental functions is not allowed. Individual holdings of more than The limit on individual holdings is 5 per cent of capital stock or up to 20 per cent of capital stock with require prior authorization from the Ministry of Finance and Public Credit (SHCP). Effective control of the enterprise by the Mexican shareholders is required.</p> <p>Foreign exchange firms may also carry out this activity. Foreign investors may hold up to 49 per cent of paid-up capital and up to 30 per cent of non-limited-voting paid-up capital. Foreign investment by artificial persons exercising functions of authority is not allowed. The limit on individual holdings is 10 per cent of paid-up capital. Effective control of the enterprise by the Mexican shareholders is required.</p> <p>4) Unbound, except as indicated in the horizontal section Unbound</p> | <p>1) Unbound</p> <p>2) Unbound</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section. Unbound</p> | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|--|--|---|------------------------|
| Derivative products, including, but not limited to, (CPC 81339**) | 1) Unbound 2) Unbound 3) Multiple banking institutions may carry out operations with derivative products. Foreign investors may hold up to 49 per cent of common stock capital and up to 100 per cent of the additional capital representing 40 per cent of the limited-voting common stock. Foreign investment by artificial persons exercising governmental functions is not allowed. Individual holdings of more than 5 per cent of capital stock require prior authorization from the Ministry of Finance and Public Credit (SHCP). Effective control of the enterprise by the Mexican shareholders is required. 4) Unbound, except as indicated in the horizontal section. | 1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section. | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|--|--|---|------------------------|
| Futures and options 81339** (CPC 81339**) | 1) Unbound 2) Unbound 3) Multiple banking institutions may carry out operations with futures and options. Foreign investors may hold up to 49 per cent of common stock capital and up to 100 per cent of the additional capital representing 40 per cent of limited-voting common stock. Foreign investment by artificial persons exercising governmental functions is not allowed. Individual holdings of more than 5 per cent of capital stock require prior authorization from the Ministry of Finance and Public Credit (SHCP). Effective control of the enterprise by the Mexican shareholders is required. 4) Unbound, except as indicated in the horizontal section. | 1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section. | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|--|---|---|------------------------|
| - Transferable securities (CPC 81321*) | <p>1) Unbound</p> <p>2) Unbound</p> <p>3) Securities firms and securities specialists may carry out this activity. Foreign investors may hold up to 100 40 per cent of common stock capital and up to 100 per cent of the additional capital representing 40 per cent of non- limited-voting common stock. Foreign investment by artificial persons exercising governmental functions is not allowed. Individual holdings of more than 5 per cent of capital stock require authorization from the National Banking and Securities Commission (CNBV). The limit on individual holdings is 10 per cent of capital stock or up to 20 per cent of capital stock with authorization from the Ministry of Finance and Public Credit (SHCP). Effective control of the enterprise by the Mexican shareholders is required.</p> <p>4) Unbound, except as indicated in the horizontal section. Unbound</p> | <p>1) Unbound</p> <p>2) Unbound</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section Unbound</p> | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|--|--|---|------------------------|
| - Other negotiable instruments and financial assets, including bullion (CPC 81339**) | <p>1) Unbound</p> <p>2) Unbound</p> <p>3) Multiple banking institutions may carry out activities involving bullion. Foreign investors may hold up to 49 40 per cent of common stock capital and up to 100 per cent of the additional capital representing 40 per cent of non- limited-voting common stock. Foreign investment by artificial persons exercising governmental functions is not allowed. Holdings of more than The limit on individual holdings is 5 per cent of capital stock or up to 20% of the capital stock with require prior authorization from the Ministry of Finance and Public Credit (SHCP). Effective control of the enterprise by the Mexican shareholders is required.</p> <p>4) Unbound, except as indicated in the horizontal section. Unbound</p> | <p>1) Unbound</p> <p>2) Unbound</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section Unbound</p> | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|---|--|--|------------------------|
| g. Participation in issues of all kinds of securities, including underwriting and placement as agents (whether publicly or privately) and provision of services related to such issues (CPC 8132) | <p>1) Unbound</p> <p>2) Unbound</p> <p>3) Securities firms and securities specialists may participate in issues of securities and underwriting and placement as agents. Foreign investors may hold up to 100 40 per cent of common stock capital and up to 100 per cent of the additional capital representing 40 per cent of non- limited-voting common stock. Foreign investment by artificial persons exercising governmental functions is not allowed. Individual holdings of more than 5 per cent of capital stock require authorization from the National Banking and Securities Commission (CNBV). The limit on individual holdings is 10 per cent of capital stock or up to 20 per cent of capital stock with authorization from the Ministry of Finance and Public Credit (SHCP). Effective control of the enterprise by the Mexican shareholders is required.</p> <p>4) Unbound, except as indicated in the horizontal section. Unbound</p> | <p>1) Unbound</p> <p>2) Unbound</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section. Unbound</p> | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|-----------------------------------|---|--|------------------------|
| h. Money broking (CPC 81339**) | <p>1) Unbound</p> <p>2) Unbound</p> <p>3) Multiple banking institutions may carry out this activity. Foreign investors may hold up to 100 49 per cent of common stock capital and up to 100 per cent of the additional capital representing 40 per cent of non- limited-voting common stock.</p> <p>Foreign investment by artificial persons exercising governmental functions is not allowed. Holdings of more than The limit on individual holdings is 5 per cent of capital stock or up to 20% of the capital stock with require prior authorization from the Ministry of Finance and Public Credit (SHCP). Effective control of the enterprise by the Mexican shareholders is required.</p> <p>4) Unbound, except as indicated in the horizontal section. Unbound</p> | <p>1) Unbound</p> <p>2) Unbound</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section. Unbound</p> | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|---|---|--|------------------------|
| i. Asset management, such as cash or portfolio management, all forms of collective investment management, pension fund management and trust services (CPC 81323*) | <p>1) Unbound 2) Unbound 3) Investment companies may carry out activities such as asset management, cash or portfolio management and all forms of collective investment management. Foreign investors may hold up to 100 49 per cent of overhead capital. Foreign investment by artificial persons exercising governmental functions is not allowed. The limit on individual holdings is established by the board of directors of each enterprise is 10 per cent of the paid-up capital. Effective control of the enterprise by the Mexican shareholders is required.</p> <p>Managing companies of investment companies carry out the administration of investment trusts. Foreign investors may hold up to 100 49 per cent of capital stock. Foreign investment by artificial persons exercising governmental functions is not allowed. The limit on individual holdings is 10 per cent of the paid-up capital. Effective control of the enterprise by the Mexican shareholders is required.</p> | <p>1) Unbound 2) Unbound 3) None</p> | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|---------------------|--|-----------------------------------|------------------------|
| | <p>Pension fund management companies may carry out pension fund management activities. Foreign investors may hold up to 49 per cent of capital stock. Foreign investment by artificial persons exercising governmental functions is not allowed. Individual holdings of more than 5 per cent of capital stock require authorization from the National Savings and Retirement System Commission (CONSAR). The limit on individual holdings is 10 per cent of the paid-up capital. Effective control of the enterprise by the Mexican shareholders is required.</p> <p>Multiple banking institutions may provide trust services. Foreign investors may hold up to 49 40 per cent of common stock capital and up to 100 per cent of the additional stock representing 40 per cent of non- limited-voting common stock. Foreign investment by artificial persons exercising governmental functions is not allowed. Individual holdings of more than The limit on individual holdings is 5 per cent of capital stock or up to 20% of the capital stock with require prior authorization from the Ministry of Finance and Public Credit (SHCP). Effective control of the enterprise by the Mexican shareholders is required.</p> | | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|---------------------|---|-----------------------------------|------------------------|
| | <p>Securities firms may provide trust services in business directly connected with their own specific activities. Foreign investors may hold up to 100 40 per cent of common stock capital and up to 100 per cent of the additional stock representing 40 per cent of non- limited-voting common stock. Foreign investment by artificial persons exercising governmental functions is not allowed. Individual holdings of more than 5 per cent of capital stock require authorization from the National Banking and Securities Commission (CNBV). The limit on individual holdings is 10 per cent of capital stock or up to 20 per cent of capital stock with authorization from the Ministry of Finance and Public Credit (SHCP).</p> <p>Effective control of the enterprise by the Mexican shareholders is required.</p> <p>Limited-purpose financial institutions may act as trustees of guarantee trusts the goods subject to which are the result of operations inherent in their corporate purpose. Foreign investors may hold up to 49 per cent of common stock capital. Foreign investment by artificial persons exercising governmental functions is not allowed. Effective control of the enterprise by the Mexican shareholders is required.</p> | | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|---------------------|---|--|------------------------|
| | <p>Financial institutions may act as trustees of guarantee trusts the purpose of which is to guarantee bonds in their own favour. Foreign investors may hold up to 49 per cent of paid-up capital and up to 30 per cent of limited-voting paid-up capital. Foreign investment by governments and official agencies is not permitted. Effective control of the enterprise by the Mexican shareholders is required.</p> <p>General deposit warehouses may act as trustees of guarantee trusts the purpose of which is to guarantee bonds in their own favour. Foreign investors may hold up to 49 per cent of paid-up capital and up to 30 per cent of limited-voting paid-up capital. Foreign investment by governments and official agencies is not permitted. Effective control of the enterprise by the Mexican shareholders is required</p> <p>4) Unbound, except as indicated in the horizontal section.Unbound</p> | <p>4) Unbound, except as indicated in the horizontal section.Unbound</p> | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|--|---|--|------------------------|
| k. Advisory and other auxiliary financial services, including credit reporting and analysis, investment and portfolio research and advice, advice on acquisitions and on corporate restructuring and strategy (CPC 8133) | <p>1) Unbound</p> <p>2) Unbound</p> <p>3) Credit reporting companies (Credit Bureaus) may carry out credit reporting activities. Foreign investors may hold up to 49 per cent of paid-up capital stock. Foreign investment by artificial persons exercising governmental functions is not allowed.</p> <p>The limit on individual holdings is 30 per cent of the paid-up capital. Effective control of the enterprise by the Mexican shareholders is required.</p> <p>Investment consultants may carry out activities such as investment and portfolio analysis, research and advice, advice on acquisitions and on corporate restructuring and strategy. Foreign investors may hold up to 100 49 per cent of capital stock. Foreign investment by artificial persons exercising governmental functions is not allowed. Effective control of the enterprise by the Mexican shareholders is required.</p> <p>4) Unbound, except as indicated in the horizontal section. Unbound</p> | <p>1) Unbound</p> <p>2) Unbound</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section. Unbound</p> | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|------------------------|---|--|------------------------|
| C. <u>Other</u> | | | |
| Holding companies | <ol style="list-style-type: none"> 1) Unbound 2) Unbound 3) Foreign investors may hold up to 49 40 per cent of common stock capital and up to 100 per cent of the additional stock representing 40 per cent of non- limited-voting common stock. Foreign investment by artificial persons exercising governmental functions is not allowed. Individual holdings of more than The limit on individual holdings is 5 per cent of the capital stock or up to 20% of the capital stock with require prior authorization from the Ministry of Finance and Public Credit (SHCP). Effective control of the enterprise by the Mexican shareholders is required. 4) Unbound, except as indicated in the horizontal section.Unbound | <ol style="list-style-type: none"> 1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section.Unbound | |
| Guarantee institutions | <ol style="list-style-type: none"> 1) Unbound 2) Unbound 3) Foreign investors may hold up to 49 per cent of paid-up capital and up to 30 per cent of non-voting paid-up capital. Foreign investment by governments and official agencies is not allowed. The limit on individual holdings is 10 per cent of paid-up capital or up to 20 per cent of paid-up capital with authorization from the SHCP. Effective control of the enterprise by the Mexican shareholders is required. 4) Unbound, except as indicated in the horizontal section.Unbound | <ol style="list-style-type: none"> 1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section.Unbound | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|---------------------------|---|---|------------------------|
| Re-guarantee institutions | <p>1) Foreign re-guarantee companies may participate in re-guarantee operations. According to the applicable regulations, these institutions must register with the SHCP, which may authorize or refuse registration.</p> <p>2) Unbound</p> <p>3) This activity may be carried out through guarantee companies. Foreign investors may hold up to 49 per cent of paid-up capital and up to 30 per cent of non-voting paid-up capital. Foreign investment by governments and official agencies is not permitted. The limit on individual holdings is 10 per cent of the paid-up capital or up to 20 per cent of the paid-up capital with authorization from the SHCP. Effective control of the enterprise by the Mexican shareholders is required.</p> <p>4) Unbound, except as indicated in the horizontal section. Unbound</p> | <p>1) None</p> <p>2) Unbound</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section. Unbound</p> | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|---|--|---|------------------------|
| General deposit warehouses | 1) Unbound 2) Unbound 3) Foreign investors may hold up to 49 per cent of paid-up capital and up to 30 per cent of non- limited -voting paid-up capital. Foreign investment by artificial persons exercising governmental functions is not allowed. The limit on individual holdings is 10 per cent of paid-up capital; this limit may be increased with authorization from the Ministry of Finance and Public Credit (SHCP). Effective control of the enterprise by the Mexican shareholders is required. 4) Unbound, except as indicated in the horizontal section. Unbound | 1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section. Unbound | |
| 8. HEALTH AND SOCIAL SERVICES | | | |
| A. <u>Private hospital services</u> (CPC 9311) | 1) Unbound* 2) None 3) None Foreign investment of up to 49 per cent of the registered capital of enterprises. 4) Unbound, except as indicated in the horizontal section. | 1) Unbound* 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| B. <u>Other human health services</u> - Private services of clinical laboratories auxiliary to medical diagnosis (CPC 93199) | 1) Unbound 2) None 3) Foreign investment of up to 49 per cent of the registered capital of enterprises. 4) Unbound, except as indicated in the horizontal section. | 1) Unbound 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|---|--|---|------------------------|
| - Other private services auxiliary to medical treatment (CPC 93191) | 1) Unbound 2) None 3) Foreign investment of up to 49 per cent of the registered capital of enterprises. 4) Unbound, except as indicated in the horizontal section. | 1) Unbound 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| - Dental prosthesis laboratory services (CPC 93123) | 1) Unbound 2) None 3) Foreign investment of up to 49 per cent of the registered capital of enterprises. 4) Unbound, except as indicated in the horizontal section | 1) Unbound 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| 9. TOURISM AND TRAVEL-RELATED SERVICES | | | |
| A. <u>Hotel and restaurant services</u> | | | |
| - Hotel services (CPC 6411) | 1) Unbound* 2) None 3) Foreign investment of up to 100 per cent of the registered capital of enterprises. It is necessary to hold a licence issued by the Ministry of Tourism (SECTUR) and A permit from the competent authority (federal, State or municipal) is required to engage in the activity. 4) Unbound, except as indicated in the horizontal section. | 1) Unbound* 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| - Motel services (CPC 6412) | 1) Unbound* 2) None | 1) Unbound* 2) None | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|---|---|--|------------------------|
| <ul style="list-style-type: none"> - Board and lodging in guest houses and furnished accommodation (CPC 64192 and 64193) - Youth hostels and temporary camping facilities (CPC 64194) | <p>3) Foreign investment of up to 100 per cent of the registered capital of enterprises. It is necessary to hold a licence issued by the Ministry of Tourism (SECTUR) and A permit from the competent authority (federal, State or municipal) is required to engage in the activity.</p> <p>4) Unbound, except as indicated in the horizontal section.</p> | <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section.</p> | |
| | <p>1) Unbound*</p> <p>2) None</p> <p>3) Foreign investment of up to 100 per cent of the registered capital of enterprises. It is necessary to hold a licence issued by the Ministry of Tourism (SECTUR) and A permit from the competent authority (federal, State or municipal) is required to engage in the activity.</p> <p>4) Unbound, except as indicated in the horizontal section.</p> | <p>1) Unbound*</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section.</p> | |
| | <p>1) Unbound*</p> <p>2) None</p> <p>3) Foreign investment of up to 100 per cent of the registered capital of enterprises. It is necessary to hold a licence issued by the Ministry of Tourism (SECTUR) and A permit from the competent authority (federal, State or municipal) is required to engage in the activity.</p> <p>4) Unbound, except as indicated in the horizontal section.</p> | <p>1) Unbound*</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section.</p> | |
| | <p>1) Unbound*</p> <p>2) None</p> <p>3) Foreign investment of up to 100 per cent of the registered capital of enterprises. It is necessary to hold a licence issued by the Ministry of Tourism (SECTUR) and A permit from the competent authority (federal, State or municipal) is required to engage in the activity.</p> <p>4) Unbound, except as indicated in the horizontal section.</p> | <p>1) Unbound*</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section.</p> | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|---|---|---|------------------------|
| - Camping facilities for mobile homes (trailer parks) (CPC 64195) | 1) Unbound* 2) None 3) Foreign investment of up to 100 per cent of the registered capital of enterprises. It is necessary to hold a licence issued by the Ministry of Tourism (SECTUR) and A permit from the competent authority (federal, State or municipal) is required to engage in the activity. 4) Unbound, except as indicated in the horizontal section. | 1) Unbound* 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| - Restaurant services (CPC 642) | 1) None 2) None 3) Foreign investment of up to 49 100 per cent of the registered capital of enterprises. It is necessary to hold a licence issued by the Ministry of Tourism (SECTUR) and A permit from the competent authority (federal, State or municipal) is required to engage in the activity 4) Unbound, except as indicated in the horizontal section. | 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| - Cabarets and night-clubs (CPC 6432) | 1) Unbound* 2) None 3) Foreign investment of up to 49 100 per cent of the registered capital of enterprises. It is necessary to hold a licence issued by the Ministry of Tourism (SECTUR) and A permit from the competent authority (federal, State or municipal) is required to engage in the activity 4) Unbound, except as indicated in the horizontal section. | 1) Unbound* 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|---|--|---|------------------------|
| Canteens, bars and taverns (CPC 6431) | 1) Unbound* 2) None 3) Foreign investment of up to 49 100 per cent of the registered capital of enterprises. It is necessary to hold a licence issued by the Ministry of Tourism (SECTUR) and A permit from the competent authority (federal, State or municipal) is required to engage in the activity 4) Unbound, except as indicated in the horizontal section. | 1) Unbound* 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| B. <u>Travel agency and tour operator services</u> (CPC 7471) | 1) Unbound 2) None 3) Foreign investment of up to 100 per cent of the registered capital of enterprises. It is necessary to hold a licence issued by the Ministry of Tourism (SECTUR) and A permit from the competent authority (federal, State or municipal) is required to engage in the activity. 4) Unbound, except as indicated in the horizontal section. | 1) Unbound 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| C. <u>Tourist guide services</u> (CPC 7472) | 1) Unbound 2) None 3) Foreign investment of up to 100 per cent of the registered capital of enterprises. It is necessary to hold a licence issued by the Ministry of Tourism (SECTUR) and A permit from the competent authority (federal, State or municipal) is required to engage in the activity. 4) Unbound, except as indicated in the horizontal section. | 1) Unbound 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|--|---|---|------------------------|
| D. Other - (Spa services) (CPC 97029) Includes only: PRIVATE SERVICES IN <u>COMMUNITY,</u> RECREATIONAL AND SPORTING CENTRES (plus services provided by and relating to sports clubs, gymnasiums, health and seaside resorts, swimming pools, sports grounds, billiards, bowling, equitation and cycling) Excludes boat rental. | 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| Caterer services, providing meals to outside (CPC 6423) | 1) Unbound* 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | 1) Unbound* 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| Beverage-serving services with entertainment (CPC 6432) | 1) Unbound* 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | 1) Unbound* 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| Beverage-serving services without entertainment (CPC 6431) | 1) Unbound* 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | 1) Unbound* 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|---|---|--|------------------------|
| 10. <u>RECREATIONAL, CULTURAL AND SPORTING SERVICES</u> (other than audiovisual services) A. <u>Entertainment services</u> (including theatre, live bands and circus services) (CPC 9619) B. <u>News agency services</u> (CPC 962) C. <u>Libraries, archives, museums and other cultural services</u> (CPC 963) D. <u>Sporting and other recreational services</u> (CPC 964) Sports event promotion services (CPC 96411) | 1) Unbound* 2) None 3) None 4) Unbound, except as indicated in the horizontal section. 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. 1) Unbound 2) None 3) None 4) Unbound, except as indicated in the horizontal section. 1) Unbound 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | 1) Unbound * 2) None 3) None 4) Unbound, except as indicated in the horizontal section. 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. 1) Unbound 2) None 3) None 4) Unbound, except as indicated in the horizontal section. 1) Unbound 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|--|---|---|------------------------|
| Sports event organisation services (CPC 96412) | <ol style="list-style-type: none"> 1) Unbound 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | <ol style="list-style-type: none"> 1) Unbound 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| Sports facility operation services (CPC 96413) | <ol style="list-style-type: none"> 1) Unbound 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | <ol style="list-style-type: none"> 1) Unbound 2) None 3) None 4) Unbound, except as indicated in the horizontal section | |
| 11. TRANSPORT SERVICES | | | |
| C. <u>Air transport services</u> | | | |
| e) Supporting services for air transport | | | |
| - Airport and heliport administration services (CPC 746) | <ol style="list-style-type: none"> 1) Unbound 2) None 3) Direct or indirect foreign equity participation in excess of 49 per cent requires prior authorization from the Foreign Investment Commission (CNIE). Foreign investment only up to 30 per cent of the registered capital of enterprises. A concession from the Ministry of Communications and Transport (SCT) is required to operate an airport. 4) Unbound, except as indicated in the horizontal section. | <ol style="list-style-type: none"> 1) Unbound 2) None 3) Mexicans have priority over foreigners for concession-granting purposes, other things being equal. A concession represents discretionary authorization by the competent authorities for the provision of a public service. Neither the concession nor the rights conferred thereby may be transferred, mortgaged, encumbered or alienated to any foreign government or State, nor may the latter be admitted as a partner in the enterprise holding the concession. 4) Unbound, except as indicated in the horizontal section. | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|---|--|--|------------------------|
| E. <u>Rail transport services</u> | | | |
| c. Pushing and towing services (CPC 7113) | <ol style="list-style-type: none"> 1) Unbound 2) None 3) Direct or indirect foreign equity participation in excess of 49 per cent requires prior authorization from the Foreign Investment Commission (CNIE). 4) Unbound, except as indicated in the horizontal section. | <ol style="list-style-type: none"> 1) Unbound 2) None 3) Direct or indirect foreign equity participation in excess of 49 per cent requires prior authorization from the Foreign Investment Commission (CNIE). 4) Unbound, except as indicated in the horizontal section. | |
| e. Supporting services for rail transport services (CPC 743) | <ol style="list-style-type: none"> 1) Unbound * 2) None 3) Direct or indirect foreign equity participation in excess of 49 per cent requires prior authorization from the Foreign Investment Commission (CNIE). 4) Unbound, except as indicated in the horizontal section. | <ol style="list-style-type: none"> 1) Unbound * 2) None 3) Direct or indirect foreign equity participation in excess of 49 per cent requires prior authorization from the Foreign Investment Commission (CNIE). 4) Unbound, except as indicated in the horizontal section. | |
| F. <u>Road transport services</u> | | | |
| d) Maintenance and repair of road transport equipment | | | |
| - Motor vehicle maintenance and repair services (CPC 6112 and 8867) | <ol style="list-style-type: none"> 1) None 2) None 3) None Foreign investment up to 49 per cent of the registered capital of enterprises. 4) Unbound, except as indicated in the horizontal section. | <ol style="list-style-type: none"> 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| H. <u>Services auxiliary to all modes of transport:</u> | | | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|--|---|--|------------------------|
| - Supporting services for air transport (CPC 746) | 1) None 2) None 3) Foreign investment of up to 49 per cent of the registered capital of enterprises. The Ministry of Communications and Transport (SCT) is responsible for controlling air traffic and meteorological, aeronautical telecommunications and air navigation assistance services. 4) Unbound, except as indicated in the horizontal section. | 1) None 2) None 3) Neither the concession nor the rights conferred thereby may be transferred, mortgaged, encumbered or alienated to any foreign government or State, nor may the latter be admitted as a partner in the enterprise holding the concession. 4) Unbound, except as indicated in the horizontal section. | |
| - Weighbridge services for transport purposes (CPC 7490) | 1) None 2) None 3) Foreign investment only up to 49 per cent of the registered capital of enterprises. A concession issued by the Ministry of Communications and Transport (SCT) is required to provide these services and the prior authorization of the Ministry of Foreign Affairs (SRE) is needed to enable enterprises with foreign participation to obtain such a concession. 4) Unbound, except as indicated in the horizontal section. | 1) None 2) None 3) Mexicans have priority over foreigners for concession-granting purposes, other things being equal. A concession represents discretionary authorization by the competent authorities for the provision of a public service. Neither the concession nor the rights conferred thereby may be transferred, mortgaged, encumbered or alienated to any foreign government or State, nor may the latter be admitted as a partner in the enterprise holding the concession. 4) Unbound, except as indicated in the horizontal section. | |
| I. <u>Other transport services</u> | | | |
| - Tramway transport (CPC 71211) | 1) Unbound* 2) None | 1) Unbound* 2) None | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|--|--|---|------------------------|
| <ul style="list-style-type: none"> - Subway transport (CPC 71211) | <ul style="list-style-type: none"> 3) Foreign investment of up to 49 per cent of the registered capital of enterprises. State and municipal authorities are responsible for granting concessions for these services. 4) Unbound, except as indicated in the horizontal section. | <ul style="list-style-type: none"> 3) Mexicans have priority over foreigners for concession-granting purposes, other things being equal. A concession represents discretionary authorization by the competent authorities for the provision of a public service. Neither the concession nor the rights conferred thereby may be transferred, mortgaged, encumbered or alienated to any foreign government or State, nor may the latter be admitted as a partner in the enterprise holding the concession. 4) Unbound, except as indicated in the horizontal section. | |
| 12. OTHER SERVICES | <ul style="list-style-type: none"> 1) Unbound* 2) None 3) Foreign investment of up to 49 per cent of the registered capital of enterprises. State and municipal authorities are responsible for granting concessions for these services. 4) Unbound, except as indicated in the horizontal section. | <ul style="list-style-type: none"> 1) Unbound* 2) None 3) Mexicans have priority over foreigners for concession-granting purposes, other things being equal. A concession represents discretionary authorization by the competent authorities for the provision of a public service. Neither the concession nor the rights conferred thereby may be transferred, mortgaged, encumbered or alienated to any foreign government or State, nor may the latter be admitted as a partner in the enterprise holding the concession. 4) Unbound, except as indicated in the horizontal section. | |
| <ul style="list-style-type: none"> - Repair of footwear and other articles of leather and skins (CPC 63301) | <ul style="list-style-type: none"> 1) None 2) None 3) Foreign investment of up to 49 per cent of the registered capital of enterprises. 4) Unbound, except as indicated in the horizontal section. | <ul style="list-style-type: none"> 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|--|---|---|------------------------|
| - Repair of electronic appliances mainly for household use (CPC 63302) | 1) None 2) None 3) Foreign investment of up to 49 per cent of the registered capital of enterprises. 4) Unbound, except as indicated in the horizontal section. | 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| - Repair of clocks, watches and jewellery (CPC 63303) | 1) None 2) None 3) Foreign investment of up to 49 per cent of the registered capital of enterprises. 4) Unbound, except as indicated in the horizontal section. | 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| - Repair and cleaning of headgear (CPC 63304) | 1) None 2) None 3) Foreign investment of up to 49 per cent of the registered capital of enterprises. 4) Unbound, except as indicated in the horizontal section. | 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| - Bicycle repair (CPC 63309) | 1) None 2) None 3) Foreign investment of up to 49 per cent of the registered capital of enterprises. 4) Unbound, except as indicated in the horizontal section. | 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| - Locksmiths' trade (CPC 63309) | 1) None 2) None 3) Foreign investment of up to 49 per cent of the registered capital of enterprises. State and municipal authorities are responsible for granting concessions for these services. 4) Unbound, except as indicated in the horizontal section. | 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |

* Unbound due to lack of technical feasibility.

MARITIME TRANSPORT

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|--|--|---|--|
| 11. TRANSPORT SERVICES | | | |
| A. Maritime transport services International transport (freight and passengers) CPC 7211 and 7212, less cabotage transport (see definition in Annex II) | <p>1) Scheduled, bulk, tramp and other international maritime transport, including passenger transport.⁷</p> <p>Specific international deep-sea transport may be reserved wholly or partly for shipping companies which are Mexican, or recognized as such, when the principles of free competition are not observed and the national economy is affected.</p> <p>2) None</p> <p>3) Foreign investment in excess of 49 per cent of the equity of shipping companies operating vessels exclusively as deep-sea traffic requires prior authorization from the Foreign Investment Commission (CNIE).</p> <p>4) Unbound, except as indicated in the horizontal section.</p> | <p>1) Transport charges will be treated as part of exports of motor vehicles and motor vehicle parts when these are carried in vessels belonging to Mexican companies. Transport charges will not be treated as part of imports of motor vehicles and motor vehicle parts when these are carried in vessels belonging to Mexican companies. These requirements will be abolished in 2004.</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section.</p> | <p>See Annex I on Additional Commitments</p> |

⁷ In accordance with Mexican legislation, foreign-flag vessels may provide international maritime transport in Mexico when there is reciprocity on the part of the vessel's country of registration. Provided that the negotiations reach a satisfactory conclusion in this respect, Mexico will not include this legislative requirement in its list of most-favoured-nation exemptions.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|---|---|---|------------------------|
| AUXILIARY SERVICES | | | |
| Maritime cargo handling services (see definition in Annex II) | 1) Unbound* 2) None 3) Foreign equity participation may not exceed 49 per cent. 4) Unbound, except as indicated in the horizontal section. | 1) Unbound * 2) None 3) None Unbound, except as indicated in the horizontal section. | |
| Storage and warehousing services, except general bonded warehouses (CPC 742) (see definition in Annex II) | 1) Unbound* 2) None 3) Foreign equity participation may not exceed 49 per cent. 4) Unbound, except as indicated in the horizontal section. | 1) Unbound* 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| Container station and depot services (see definition in Annex II) | 1) Unbound* 2) None 3) Foreign equity participation may not exceed 49 per cent. 4) Unbound, except as indicated in the horizontal section. | 1) Unbound* 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| Maritime agency services (see definition in Annex II) | 1) Unbound 2) None 3) Foreign equity participation may not exceed 49 per cent. 4) Unbound, except as indicated in the horizontal section. | 1) Unbound 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |
| Maritime freight-forwarding services (see definition in Annex II) | 1) Unbound 2) None 3) Foreign equity participation may not exceed 49 per cent. 4) Unbound, except as indicated in the horizontal section. | 1) Unbound 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |

* Unbound because not technically feasible.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|--|--|--|------------------------|
| Vessel maintenance and repair (see definition in Annex II) | 1) Unbound * 2) None 3) Foreign equity participation may not exceed 49 per cent. 4) Unbound, except as indicated in the horizontal section. | 1) Unbound * 2) None 3) None 4) Unbound, except as indicated in the horizontal section. | |

* Unbound due to lack of technical feasibility.

ANNEX I

ADDITIONAL COMMITMENTS

A. ACCESS TO AND USE OF PORT INSTALLATIONS

The following port services are available to suppliers of international maritime transport services on reasonable and non-discriminatory terms and conditions:

1. Pilotage services.
2. Towing services.
3. Provisioning, fuelling and watering.
4. Garbage collection and ballast waste disposal services.
In commercial ports, no ballast waste disposal services are provided. These services are provided by the oil handling installations of Pemex (Petróleos Mexicanos).
5. Port captain's services.
6. Navigation aids.
7. Shore-based operational services essential to ship operations, including communications and electrical supplies.
8. Emergency repair facilities.
9. Anchorage services.

Areas have been set aside outside national ports as anchorages.

B. MULTIMODAL OPERATIONS

Where road, rail, inland waterway and auxiliary transport services are not otherwise fully covered in this schedule, a multimodal transport operator, authorized by the Ministry of Communications and Transport, shall be authorized to conclude contracts for land transport in trucks, railway wagons and related equipment for river freight transport purposes. These services will be provided 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, 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. Foreign investment and market access commitments on a cross-border basis are not included.

ANNEX II

NOTE TO THE SCHEDULE

Where road, rail, inland waterway and auxiliary transport services are not otherwise fully covered in this schedule, a multimodal transport operator, authorized by the Ministry of Communications and Transport, shall be authorized to conclude contracts for land transport in trucks, railway wagons and related equipment for river freight transport purposes. These services will be provided 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, 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. Foreign investment and market access commitments on a cross-border basis are not included.

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 ports located in Mexican territory and traffic originating and terminating in the same port located in Mexican territory provided that this traffic remains within Mexico's territorial waters.
2. "Multimodal transport operator" means the person on whose behalf the bill of lading/multimodal transport document, or any other document evidencing a multimodal goods carriage contract, is issued and who is responsible for carriage of the goods pursuant to the contract of carriage.
3. "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 organized independently of the stevedoring or terminal operator companies. The activities covered include the organization and supervision of:
 - The loading/discharging of cargo onto/from a ship;
 - the lashing/unlashing of cargo;
 - the reception/delivery and safekeeping of cargo before shipment and after discharge.
4. "Storage and warehousing services" means the safekeeping of merchandise in warehouses, yards or sheds within the port precincts.

5. "Container station and depot services" means the storage of containers, whether in port areas or inland, with a view to their stuffing, stripping or repair and making them available for shipments.
6. "Maritime agency services" means the representation, within a given geographic area and as an agent, of the business interests of one or more shipping lines or shipping companies, for the following purposes:
 - Marketing and selling maritime transport and related services, from quotation to invoicing, and issuing bills of lading on behalf of companies, acquiring and reselling the necessary related services, preparing documentation and furnishing business information;
 - acting on behalf of the companies organizing the ship's ports of call or taking over cargo as and when required.
7. "Freight-forwarding services" means the organization and monitoring of shipment operations on behalf of shippers, through the acquisition of transport and related services, preparation of documentation and provision of business information.
8. "Vessel maintenance and repair" means all vessel repair and maintenance work carried out in dock.

MEXICO - FINAL LIST OF ARTICLE II (MFN) EXEMPTIONS

| Sector or subsector | Description of measure indicating its inconsistency with Article II | Countries to which the measure applies | Intended duration | Conditions creating the need for the exemption |
|-------------------------------------|---|--|-------------------|---|
| Tourism. Road Transport (Passenger) | The supply of road transport services by foreign suppliers into and across Mexico is limited to vehicles registered in the countries indicated in Column (3). | United States of America | Indefinite | Convention aimed at facilitating the access of tourists from the United States of America to Mexico when such tourism is carried out by road transport. |
| Tourism. Business Conventions | Bilateral Agreement for the granting of tax deductions to individuals attending business conventions in the territories of the parties. | United States of America | Indefinite | Individuals attending business conventions receive a preferential deduction for expenses incurred in the territories of the parties. |

REFERENCE PAPER

Scope

The following are definitions and principles relating to the regulatory framework for basic telecommunications services.

Definitions

Users mean service consumers and service suppliers.

Essential facilities mean facilities of a public telecommunications transport network or service that:

- (a) are exclusively or predominantly provided by a single or limited number of suppliers; and
- (b) cannot feasibly be economically or technically substituted in order to provide a service.

A major supplier is a supplier which has the ability to materially affect the terms of participation (having regard to price and supply) in the relevant market for basic telecommunications services as a result of:

- (a) control over essential facilities; or
- (b) use of its position in the market.

1. Competitive safeguards

1.1 Prevention of anti-competitive practices in telecommunications

Appropriate measures shall be maintained for the purpose of preventing suppliers who, alone or together, are a major supplier from engaging in or continuing anti-competitive practices.

1.2 Safeguards

The anti-competitive practices referred to above shall include in particular:

- (a) engaging in anti-competitive cross-subsidization;
- (b) using information obtained from competitors with anti-competitive results; and
- (c) not making available to other services suppliers on a timely basis technical information about essential facilities and commercially relevant information which are necessary for them to provide services.

2. Interconnection

2.1 This section applies to linking with suppliers providing public telecommunications transport networks or services in order to allow the users of one supplier to communicate with users of another supplier and to access services provided by another supplier, where specific commitments are undertaken.

2.2 Interconnection to be ensured

Interconnection with a major supplier shall be ensured at any technically feasible point in the network. Such interconnection shall be provided:

- (a) under non-discriminatory terms, conditions (including technical standards and specifications) and rates and of a quality no less favourable than that provided for its own like services or for like services of non-affiliated service suppliers or for its subsidiaries or other affiliates;
- (b) in a timely fashion, on terms, conditions (including technical standards and specifications) and cost-oriented rates that are transparent, reasonable, having regard to economic feasibility, and sufficiently unbundled so that the supplier need not pay for network components or facilities that it does not require for the service to be provided; and
- (c) upon request, at points in addition to the network termination points offered to the majority of users, subject to charges that reflect the cost of construction of necessary additional facilities.

2.3 Public availability of the procedures for interconnection negotiations

The procedures applicable for interconnection to a major supplier shall be made publicly available.

2.4 Transparency of interconnection arrangements

A major supplier shall make either its interconnection agreements or a reference interconnection offer publicly available.

2.5 Interconnection: Dispute settlement

A service supplier requesting interconnection with a major supplier shall have recourse, either:

- (a) at any time or
- (b) after a reasonable period of time which has been made publicly known

to an independent domestic body, which may be a regulatory body as referred to in paragraph 5 below, to resolve disputes regarding appropriate terms, conditions and rates for interconnection within a reasonable period of time, to the extent that these have not been established previously.

3. Universal service

Any Member has the right to define the kind of universal service obligation it wishes to maintain. Such obligations shall not be regarded as anti-competitive *per se*, provided that they are administered in a transparent, non-discriminatory and competitively neutral manner and are not more burdensome than necessary for the kind of universal service defined by the Member.

4. Public availability of licensing criteria

Where a licence is required, the following shall be made publicly available:

- (a) all the licensing criteria and the period of time normally required to reach a decision concerning an application for a licence, and
- (b) the terms and conditions of individual licences.

The reasons for the denial of a licence shall be made known to the applicant upon request.

5. Independent regulators

The regulatory body is separate from, and not accountable to, any supplier of basic telecommunications services. The decisions of and the procedures used by regulators shall be impartial with respect to all market participants.

6. Allocation and use of scarce resources

Any procedures for the allocation and use of scarce resources, including frequencies, numbers and rights of way, shall be carried out in an objective, timely, transparent and non-discriminatory manner. The current state of allocated frequency bands shall be made publicly available, but detailed identification of frequencies allocated for specific government uses is not required.
