

**Annex I  
Schedule of Canada**

**Sector:** Agriculture

**Sub-Sector:**

**Industry Classification:**

**Type of Reservation:** National Treatment (Article \_\_\_ Investment)

**Level of Government:** Federal

**Measures:** *Farm Credit Canada Act, S.C. 2001, c. 22*

**Description:** Investment

Farm Credit Corporation Canada provides specialized and personalized business and financial services and products to farming operations, including family farms, and to those businesses in rural Canada, including small and medium-sized businesses, that are businesses related to farming.

**Phase Out:** None

<b>Sector:</b>	All Sectors
<b>Sub-Sector:</b>	
<b>Industry Classification:</b>	
<b>Type of Reservation:</b>	National Treatment (Article ____ Investment) Most-Favoured Nation Treatment Performance Requirements (Article ____ Investment) Senior Management and Boards of Directors(Article ____ Investment)
<b>Level of Government:</b>	Federal
<b>Measures:</b>	<i>Investment Canada Act</i> , R.S.C. 1985, c. 28 (1st Supp.)  <i>Investment Canada Regulations</i> , SOR/85-611  As qualified by paragraphs 8 through 12 of the <b>Description</b> element  <u>Investment</u>
<b>Description:</b>	<p>1. Under the <i>Investment Canada Act</i>, the following acquisitions of Canadian businesses by "non-Canadians" are subject to review by the Director of Investments:</p> <ul style="list-style-type: none"> <li>(a) all direct acquisitions of Canadian businesses with assets of C\$5 million or more;</li> <li>(b) all indirect acquisitions of Canadian businesses with assets of C\$50 million or more; and</li> <li>(c) indirect acquisitions of Canadian businesses with assets between C\$5 million and C\$50 million that represent more than 50 percent of the value of the assets of all the entities the control of which is being acquired, directly or indirectly, in the transaction in question.</li> </ul> <p>2. A "non-Canadian" is an individual, government or agency thereof or an entity that is not "Canadian". "Canadian" means a Canadian citizen or permanent resident, government in Canada or agency thereof or Canadian-controlled entity as provided for in the <i>Investment Canada Act</i>.</p> <p>3. In addition, specific acquisitions or establishment of new businesses in designated types of business activities relating to Canada's cultural heritage or national identity, which are normally notifiable, may be reviewed if the Governor in Council authorizes a review in the public interest.</p> <p>4. An investment subject to review under the <i>Investment Canada Act</i> may not be implemented unless the Minister responsible for the <i>Investment Canada Act</i> advises the applicant that the investment is likely to be of net benefit to Canada. Such a determination is made in accordance with six factors described in the Act, summarized as follows:</p>

- (a) the effect of the investment on the level and nature of economic activity in Canada, including the effect on employment, on the utilization of parts, components and services produced in Canada, and on exports from Canada;
- (b) the degree and significance of participation by Canadians in the investment;
- (c) the effect of the investment on productivity, industrial efficiency, technological development and product innovation in Canada;
- (d) the effect of the investment on competition within any industry or industries in Canada;
- (e) the compatibility of the investment with national industrial, economic and cultural policies, taking into consideration industrial, economic and cultural policy objectives enunciated by the government or legislature of any province likely to be significantly affected by the investment; and
- (f) the contribution of the investment to Canada's ability to compete in world markets.

5. In making a net benefit determination, the Minister, through the Director of Investments, may review plans under which the applicant demonstrates the net benefit to Canada of the proposed acquisition. An applicant may also submit undertakings to the Minister in connection with any proposed acquisition which is the subject of review. In the event of noncompliance with an undertaking by an applicant, the Minister may seek a court order directing compliance or any other remedy authorized under the Act.

6. Non-Canadians who establish or acquire Canadian businesses, other than those that are subject to review, as described above, must notify the Director of Investments.

7. The Director of Investments will review an "acquisition of control", as defined in the *Investment Canada Act*, of a Canadian business by an investor of a Contracting Party if the value of the gross assets of the Canadian business is not less than the applicable threshold.

8. The higher review threshold, calculated as set out in paragraph 13, does not apply to acquisitions in the following sectors: uranium production and ownership of uranium producing properties; financial services; transportation services; and cultural businesses.

9. Notwithstanding the definition of "investor of a Party" in Article \_\_\_\_, only investors who are nationals, or entities controlled by nationals as provided for in the *Investment Canada Act*, of a Contracting Party may benefit from the higher review threshold.

10. An indirect "acquisition of control" of a Canadian business in any sector other than those sectors identified in Paragraph 8 by an investor of a Contracting Party is not reviewable.

11. Notwithstanding Article \_\_\_\_, Canada may impose requirements, or enforce any commitment or undertaking, in connection with the establishment, acquisition, expansion, conduct or operation of an investment of an investor of a Contracting Party or non-Contracting Party for the transfer of technology, production process or other proprietary knowledge to a national or enterprise, affiliated to the transferor, in Canada, in connection with the review of an acquisition of an investment under the *Investment Canada Act*.

12. Except for requirements, commitments or undertakings relating to technology transfer as set out in Paragraph 11, Article \_\_\_\_ shall apply to requirements, commitments or undertakings imposed or enforced under the *Investment Canada Act*. Article \_\_\_\_ shall not be construed to apply to any requirement, commitment or undertaking imposed or enforced in connection with a review under the *Investment Canada Act*, to locate production, carry out research and development, employ or train workers, or to construct or expand particular facilities, in Canada.

13. For direct acquisitions of control by investors of a Contracting Party or for investors of a non-Contracting Party where the Canadian business is controlled by an investor of a Contracting Party, the applicable threshold for review is \$218 million dollars for the year 2002 and for each year thereafter the amount determined by the Minister in January of that year arrived at by using the following formula:

Annual Adjustment =

$$\frac{\text{Current Nominal GDP at Market Prices}}{\text{Previous Year Nominal GDP at Market Prices}} \times \text{amount determined for previous year}$$

"Current Nominal GDP at Market Prices" means the average of the Nominal Gross Domestic Products at Market Prices for the most recent four consecutive quarters.

"Previous Year Nominal GDP at Market Prices" means the average of the Nominal Gross Domestic Product for the four consecutive quarters for the comparable period in the year preceding the year used in calculating the "Current Nominal GDP at Market Prices".

The amounts determined in this manner will be rounded to the nearest million dollars.

14. Without prejudice to the applicability or non-applicability of the dispute settlement provisions of this Agreement to other actions taken by a Contracting Party pursuant to Article \_\_\_\_ on national security, a decision by a Contracting Party to prohibit or restrict the acquisition of an investment in its territory by an investor of another Contracting Party, or its investment, pursuant to that Article shall not be subject to such provisions.

A decision by Canada following a review under the *Investment Canada Act*, with respect to whether or not to permit an acquisition

or the establishment of a business that is subject to review, shall not be subject to the dispute settlement provisions of the Agreement.

**Phase Out:**

None

**Sector:** All Sectors

**Sub-Sector:**

**Industry Classification:**

**Type of Reservation:** National Treatment (Article \_\_\_ Investment)  
Senior Management and Boards of Directors (Article \_\_\_ Investment)

**Level of Government:** Federal

**Measures:** As set out in the **Description** element

**Description:** Investment

Canada, when selling or disposing of its equity interests in, or the assets of, an existing state enterprise or an existing governmental entity, may prohibit or impose limitations on the ownership of such interests or assets, and on the ability of owners of such interests or assets to control any resulting enterprise, by investors of the other Party or of a non-Party or their investments. With respect to such a sale or other disposition, Canada may adopt or maintain any measure relating to the nationality of senior management or members of the board of directors.

For purposes of this reservation:

- (a) any measure maintained or adopted after the date of entry into force of this Agreement that, at the time of sale or other disposition, prohibits or imposes limitations on the ownership of equity interests or assets or imposes nationality requirements described in this reservation shall be deemed to be an existing measure; and
- (b) "state enterprise" means an enterprise owned or controlled through ownership interests by Canada and includes an enterprise established after the date of entry into force of this Agreement solely for the purposes of selling or disposing of equity interests in, or the assets of, an existing state enterprise or governmental entity.

**Phase-Out:** None

<b>Sector:</b>	All Sectors
<b>Sub-Sector:</b>	
<b>Industry Classification:</b>	
<b>Type of Reservation:</b>	National Treatment (Article ___ Investment)
<b>Level of Government:</b>	Federal
<b>Measures:</b>	<i>Canada Business Corporations Act</i> , R.S.C. 1985, c. C-44 <i>Canada Corporations Act</i> , R.S.C. 1970, c. C-32 <i>Canada Business Corporations Act Regulations</i> , SOR/79-316
<b>Description:</b>	<u>Investment</u>  "Constraints" may be placed on the issue, transfer and ownership of shares in federally incorporated corporations. The object is to permit corporations to meet Canadian ownership requirements, under certain laws set out in the <i>Canada Business Corporations Act Regulations</i> , in sectors where Canadian ownership is required as a condition to operate or to receive licenses, permits, grants, payments or other benefits. In order to maintain certain "Canadian" ownership levels, a corporation is permitted to sell shareholders' shares without the consent of those shareholders, and to purchase its own shares on the open market. "Canadian" is defined in the <i>Canada Business Corporations Act Regulations</i> .
<b>Phase-Out:</b>	None

**Sector:** All Sectors

**Sub-Sector:**

**Industry Classification:**

**Type of Reservation:** Senior Management and Boards of Directors (Article \_\_\_\_ Investment)

**Level of Government:** Federal

**Measures:** *Canada Business Corporations Act*, R.S.C. 1985, c. C-44  
*Canada Business Corporations Act Regulations*, SOR/79-316  
*Canada Corporations Act*, R.S.C. 1970, c. C-32  
Special Acts of Parliament incorporating specific companies

**Description:** Investment

The *Canada Business Corporations Act* requires, for most federally-incorporated corporations, that 25 per cent of directors be resident Canadians. A simple majority of resident Canadian directors is required for corporations in prescribed sectors. These sectors include: uranium mining; book publishing or distribution; book sales, where the sale of books is the primary part of the corporations's business; and film or video distribution. Similarly, corporations that, by an Act of Parliament or Regulation, are individually subject to minimum Canadian ownership requirements are required to have a majority of resident Canadians directors.

For purposes of the Act, "resident Canadian" means an individual who is a Canadian citizen ordinarily resident in Canada, a citizen who is a member of a class set out in the *Canada Business Corporations Act Regulations*, or a permanent resident as defined in the *Immigration and Refugee Protection Act* other than one who has been ordinarily resident in Canada for more than one year after he or she became eligible to apply for Canadian citizenship.

In the case of a holding corporation, not more than one-third of the directors need be resident Canadians if the earnings in Canada of the holding corporation and its subsidiaries are less than five percent of the gross earnings of the holding corporation and its subsidiaries.

Under the *Canada Corporations Act*, a simple majority of the elected directors of a Special Act corporation must be resident in Canada and citizens of a Commonwealth country. This requirement applies to every joint stock company incorporated subsequent to June 22, 1869 by any Special Act of Parliament.

**Phase-Out:** None



**Sector:** All Sectors

**Sub-Sector:**

**Industry Classification:**

**Type of Reservation:** National Treatment (Article \_\_\_ Investment)

**Level of Government:** Federal

**Measures:** *Citizenship Act*, R.S.C. 1985, c. C-29

*Foreign Ownership of Land Regulations*, SOR/79-416

**Description:** Investment

The *Foreign Ownership of Land Regulations* are made pursuant to the *Citizenship Act* and the *Alberta Agricultural and Recreational Land Ownership Act*. In Alberta, an ineligible person or foreign-owned or controlled corporation may only hold an interest in controlled land consisting of not more than two parcels containing, in the aggregate, not more than 20 acres. An "ineligible person" is:

- (a) an individual who is not a Canadian citizen or permanent resident;
- (b) a foreign government or agency thereof; or
- (c) a corporation incorporated elsewhere than in Canada.

"Controlled land" means land in Alberta but does not include:

- (a) land of the Crown in right of Alberta;
- (b) land within a city, town, new town, village or summer village; and
- (c) mines or minerals.

**Phase-Out:** None

**Sector:** All Sectors

**Sub-Sector:**

**Industry Classification:**

**Type of Reservation:** National Treatment (Article \_\_\_\_ Investment)

**Level of Government:** Federal

**Measures:** *Air Canada Public Participation Act*, R.S.C. 1985, c. 35 (4th Supp.)

*Petro-Canada Public Participation Act*, S.C. 1991, c. 10

*Canadian Arsenals Limited Divestiture Authorization Act*, S.C. 1986, c. 20

*Eldorado Nuclear Limited Reorganization and Divestiture Act*, S.C. 1988, c. 41

*Nordion and Theratronics Divestiture Authorization Act*, S.C. 1990, c. 4

**Description:** Investment

A "non-resident" or "non-residents" may not own more than a specified percentage of the voting shares of the corporation to which each Act applies. For some companies the restrictions apply to individual shareholders, while for others the restrictions may apply in the aggregate. Where there are limits on the percentage that an individual Canadian investor can own, these limits also apply to non-residents. The restrictions are as follows:

Air Canada: 25 percent in the aggregate

Cameco Limited (formerly Eldorado Nuclear Limited): 15 percent per individual non-resident, 25 percent in the aggregate

Nordion International Inc.: 25 percent in the aggregate

Theratronics International Limited: 49 percent in the aggregate

Canadian Arsenals Limited: 25 percent in the aggregate

"Non-resident" generally means:

- (a) an individual, other than a Canadian citizen, who is not ordinarily resident in Canada;
- (b) a corporation incorporated, formed or otherwise organized outside Canada;
- (c) the government of a foreign state or any political subdivision thereof, or a person empowered to perform a function or duty on behalf of such a government;
- (d) a corporation that is controlled directly or indirectly by non-residents as defined in any of paragraphs (a) through (c);
- (e) a trust

- i) established by a non-resident as defined in any of paragraphs (b) through (d), other than a trust for the administration of a pension fund for the benefit of individuals a majority of whom are residents, or
- (ii) in which non-residents as defined in any of paragraphs (a) through (d) have more than 50 percent of the beneficial interest; or
- (f) a corporation that is controlled directly or indirectly by a trust referred to in paragraph (e).

**Phase-Out:**

None

**Sector:** All Sectors

**Sub-Sector:**

**Industry Classification:**

**Type of Reservation:** Local Presence (Article \_\_\_ Services)

**Level of Government:** Federal

**Measures:** *Export and Import Permits Act*, R.S.C. 1985, c. E-19

**Description:** Cross-Border Services

Only individuals ordinarily resident in Canada, enterprises having their head offices in Canada or branch offices in Canada of foreign enterprises may apply for and be issued import or export permits or transit authorization certificates for goods and related services subject to controls under the *Export and Import Permits Act*.

**Phase-Out:** None

<b>Sector:</b>	Business Service Industries
<b>Sub-Sector:</b>	Customs Brokerages and Brokers
<b>Industry Classification:</b>	SIC 7794 Customs Brokers
<b>Type of Reservation:</b>	National Treatment (Article ____ Services) Local Presence (Article ____ Services) Senior Management and Boards of Directors (Article ____ Investment)
<b>Level of Government:</b>	Federal
<b>Measures:</b>	<i>Customs Act</i> , R.S.C. 1985, c. 1 (2nd Supp.)  <i>Customs Brokers Licensing Regulations</i> , SOR/86-1067
<b>Description:</b>	<u>Cross-Border Services and Investment</u>  To be a licensed customs broker or brokerage in Canada: <ul style="list-style-type: none"> <li>(a) an individual must be a Canadian citizen or permanent resident;</li> <li>(b) a corporation must be incorporated in Canada with a majority of its directors being Canadian citizens or permanent residents; and</li> <li>(c) a partnership must be composed of persons who are Canadian citizens or permanent residents, or corporations incorporated in Canada with a majority of their directors being Canadian citizens or permanent residents.</li> </ul> <p>An individual who is not a licensed customs broker but who transacts business as a customs broker on behalf of a licensed customs broker or brokerage must be a Canadian citizen or permanent resident.</p>
<b>Phase-Out:</b>	None

<b>Sector:</b>	Business Service Industries
<b>Sub-Sector:</b>	Duty Free Shops
<b>Industry Classification:</b>	SIC 6599 Other Retail Stores, Not Elsewhere Classified (limited to duty free shops)
<b>Type of Reservation:</b>	National Treatment (Articles ____ Services & Investment) Local Presence (Article ____ Services)
<b>Level of Government:</b>	Federal
<b>Measures:</b>	<i>Customs Act</i> , R.S.C. 1985, c. 1 (2nd Supp.)  <i>Duty Free Shop Regulations</i> , SOR/86-1072
<b>Description:</b>	<u>Cross-Border Services and Investment</u>  1. To be a licensed duty free shop operator at a land border crossing in Canada, an individual must: <ul style="list-style-type: none"> <li>(a) be a Canadian citizen or permanent resident;</li> <li>(b) be of good character;</li> <li>(c) be principally resident in Canada; and</li> <li>(d) have resided in Canada for at least 183 days of the year preceding the year of application for the license.</li> </ul> 2. To be a licensed duty free shop operator at a land border crossing in Canada, a corporation must: <ul style="list-style-type: none"> <li>(a) be incorporated in Canada; and</li> <li>(b) have all of its shares beneficially owned by Canadian citizens or permanent residents who meet the requirements of paragraph 1.</li> </ul>
<b>Phase-Out:</b>	None

<b>Sector:</b>	Business Service Industries
<b>Sub-Sector:</b>	Examination Services relating to the Export and Import of Cultural Property
<b>Industry Classification:</b>	SIC 999 Other Services, Not Elsewhere Classified (limited to cultural property examination services)
<b>Type of Reservation:</b>	Local Presence (Article ____ Services)
<b>Level of Government:</b>	Federal
<b>Measures:</b>	<i>Cultural Property Export and Import Act</i> , R.S.C. 1985, c. C-51
<b>Description:</b>	<p><u>Cross-Border Services</u></p> <p>Only a "resident of Canada" or an "institution" in Canada may be designated as an "expert examiner" of cultural property for purposes of the <i>Cultural Property Export and Import Act</i>. A "resident" of Canada is an individual who is ordinarily resident in Canada, or a corporation that has its head office in Canada or maintains one or more establishments in Canada to which employees employed in connection with the business of the corporation ordinarily report for work. An "institution" is an institution that is publicly owned and operated solely for the benefit of the public, that is established for educational or cultural purposes and that conserves objects and exhibits them.</p>
<b>Phase-Out:</b>	None

<b>Sector:</b>	Business Service Industries
<b>Sub-Sector:</b>	Patent Agents and Agencies
<b>Industry Classification:</b>	SIC 999      Other Services, Not Elsewhere Classified (limited to patent agency)
<b>Type of Reservation:</b>	National Treatment (Article ____ Services) Local Presence (Article ____ Services)
<b>Level of Government:</b>	Federal
<b>Measures:</b>	<i>Patent Act</i> , R.S.C. 1985, c. P-4  <i>Patent Rules</i> , C.R.C. 1978, c. 1250  <i>Patent Cooperation Treaty Regulations</i> , SOR/89-453
<b>Description:</b>	<u>Cross-Border Services</u>  To represent persons in the presentation and prosecution of applications for patents or in other business before the Patent Office, a patent agent must be resident in Canada and registered by the Patent Office.  A registered patent agent who is not resident in Canada must appoint a registered patent agent who is resident in Canada as an associate to prosecute an application for a patent.  An enterprise may be added to the patent register provided that it has at least one member who is also on the register.
<b>Phase-Out:</b>	None.



<b>Sector:</b>	Business Service Industries
<b>Sub-Sector:</b>	Trade-Mark Agents
<b>Industry Classification:</b>	SIC 999 Other Services, Not Elsewhere Classified (limited to trade-mark agency)
<b>Type of Reservation:</b>	National Treatment (Article ____ Services) Local Presence (Article ____ Services)
<b>Level of Government:</b>	Federal
<b>Measures:</b>	<i>Trade-Marks Act</i> , R.S.C. 1985, c. T-13  <i>Trade-mark Regulations</i> (1996), SOR/96-195
<b>Description:</b>	<u>Cross-Border Services</u>  To represent persons in the presentation and prosecution of applications for trade-marks or in other business before the Trade-Mark Office, a trade-mark agent must be resident in Canada and registered by the Trade-Mark Office.  A registered trade-mark agent who is not resident in Canada must appoint a registered trade-mark agent who is resident in Canada as an associate to prosecute an application for a trade-mark.
<b>Phase-Out:</b>	None

**Sector:** Energy

**Sub-Sector:** Oil and Gas

**Industry Classification:** SIC 071 Crude Petroleum and Natural Gas Industries

**Type of Reservation:** National Treatment (Article \_\_\_\_ Investment)

**Level of Government:** Federal

**Measures:** *Federal Real Property Act, R.S.C. 1985, c. F-8.4*  
*Canada Oil and Gas Land Regulations, C.R.C. 1978, c. 1518*

**Description:** Investment

This reservation applies to production licences issued with respect to "frontier lands" and "offshore areas" (areas not under provincial jurisdiction) as defined in the applicable measures.

Persons who hold oil and gas production licenses or shares therein for discoveries made after March 5, 1982 must be Canadian citizens ordinarily resident in Canada, permanent residents or corporations incorporated in Canada. No production licence may be issued for discoveries made after March 5, 1982 unless the Minister of Natural Resources is satisfied that the Canadian ownership rate of the interest-owner in relation to the production licence on the date of issuance would not be less than 50 per cent. "Interest-owner" is defined in the *Canada Petroleum Resources Act* to mean "the interest holder who owns an interest or the group of interest holders who hold all the shares of an interest".

The Canadian ownership requirements for oil and gas production licenses for discoveries made prior to March 5, 1982, are set out in the *Canada Oil and Gas Land Regulations*.

**Phase-Out:** None

<b>Sector:</b>	Energy
<b>Sub-Sector:</b>	Oil and Gas
<b>Industry Classification:</b>	SIC 071 Crude Petroleum and Natural Gas Industries
<b>Type of Reservation:</b>	Local Presence (Article ____ Services) Performance Requirements (Article ____ Investment)
<b>Level of Government:</b>	Federal
<b>Measures:</b>	<p><i>Canada Oil and Gas Production and Conservation Act</i>, R.S.C. 1985, c. O-7, as amended by <i>Canada Oil and Gas Operations Act</i>, S.C. 1992, c. 35</p> <p><i>Canada - Nova Scotia Offshore Petroleum Resources Accord Implementation Act</i>, S.C. 1988, c. 28</p> <p><i>Canada - Newfoundland Atlantic Accord Implementation Act</i>, S.C. 1987, c. 3</p> <p>Measures implementing Yukon Oil and Gas Accord</p> <p>Measures implementing Northwest Territories Oil and Gas Accord</p>
<b>Description:</b>	<p><u>Cross-Border Services and Investment</u></p> <ol style="list-style-type: none"> <li>1. Under the <i>Canada Oil and Gas Operations Act</i>, the approval of the Minister of Natural Resources of a "benefits plan" is required to receive authorization to proceed with any oil and gas development project.</li> <li>2. A "benefits plan" is a plan for the employment of Canadians and for providing Canadian manufacturers, consultants, contractors and service companies with a full and fair opportunity to participate on a competitive basis in the supply of goods and services used in any proposed work or activity referred to in the benefits plan.</li> </ol> <p>The Act permits the Minister to impose an additional requirement on the applicant, as part of the benefits plan, to ensure that disadvantaged individuals or groups have access to training and employment opportunities or can participate in the supply of goods and services used in any proposed work referred to in the benefits plan.</p> <ol style="list-style-type: none"> <li>3. The <i>Canada - Nova Scotia Offshore Petroleum Resources Accord Implementation Act</i> and the <i>Canada - Newfoundland Atlantic Accord Implementation Act</i> have the same requirement for a benefits plan but also require that the benefits plan ensure that: <ol style="list-style-type: none"> <li>(a) prior to carrying out any work or activity in the offshore area, the corporation or other body submitting the plan establish in the applicable province an office where appropriate levels of decision-making are to take place;</li> <li>(b) expenditures be made for research and development to be carried out in the province, and for education and training to be provided in the province; and</li> </ol> </li> </ol>

(c) first consideration be given to goods produced or services provided from within the province, where those goods or services are competitive in terms of fair market price, quality and delivery.

4. The Boards administering the benefits plan under these Acts may also require that the plan include provisions to ensure that disadvantaged individuals or groups, or corporations owned or cooperatives operated by them, participate in the supply of goods and services used in any proposed work or activity referred to in the plan.

5. In addition, Canada may impose any requirement or enforce any commitment or undertaking for the transfer of technology, a production process or other proprietary knowledge to a person of Canada in connection with the approval of development projects under the applicable Acts.

6. Provisions similar to those set out above will be included in laws or regulations to implement the Yukon Oil and Gas Accord and Northwest Territories Oil and Gas Accord which for purposes of this reservation shall be deemed, once concluded, to be existing measures.

None

**Phase-out:**

<b>Sector:</b>	Energy
<b>Sub-Sector:</b>	Oil and Gas
<b>Industry Classification:</b>	SIC 071 Crude Petroleum and Natural Gas Industries
<b>Type of Reservation:</b>	Performance Requirements (Article ____ Investment)
<b>Level of Government:</b>	Federal
<b>Measures:</b>	<i>Canada - Newfoundland Atlantic Accord Implementation Act</i> , S.C. 1987, c. 3  <i>Hibernia Development Project Act</i> , S.C. 1990, c. 41
<b>Description:</b>	<u>Investment</u>  Pursuant to the <i>Hibernia Development Project Act</i> , Canada and the "Hibernia Project Owners" may enter into agreements whereby the Project Owners undertake to perform certain work in Canada and Newfoundland and to use their "best efforts" to achieve specific Canadian and Newfoundland "target levels" in relation to the provisions of any "benefit plan" required under the <i>Canada-Newfoundland Atlantic Accord Implementation Act</i> . "Benefits plans" are further described in Schedule of Canada, Annex I, page _____.  In addition, Canada may impose in connection with the Hibernia project any requirement or enforce any commitment or undertaking for the transfer of technology, a production process or other proprietary knowledge to a national or enterprise in Canada.
<b>Phase-Out:</b>	None

<b>Sector:</b>	Energy
<b>Sub-Sector:</b>	Uranium
<b>Industry Classification:</b>	SIC 0616 Uranium Mines
<b>Type of Reservation:</b>	National Treatment (Article ___ Investment) Most-Favoured-Nation Treatment (Article ____ Investment)
<b>Level of Government:</b>	Federal
<b>Measures:</b>	<i>Investment Canada Act</i> , R.S.C. 1985, c. 28 (1st Supp.)  <i>Investment Canada Regulations</i> , SOR/85-611  <i>Policy on Non-Resident Ownership in the Uranium Mining Sector</i> , 1987
<b>Description:</b>	<u>Investment</u>  Ownership by "non-Canadians", as defined in the <i>Investment Canada Act</i> , of a uranium mining property is limited to 49 per cent at the stage of first production. Exceptions to this limit may be permitted if it can be established that the property is in fact "Canadian-controlled" as defined in the <i>Investment Canada Act</i> .  Exemptions from the policy are permitted, subject to approval of the Governor in Council, only in cases where Canadian participants in the ownership of the property are not available. Investments in properties by non-Canadians, made prior to December 23, 1987 and that are beyond the permitted ownership level, may remain in place. No increase in non-Canadian ownership is permitted.
<b>Phase-Out:</b>	None

<b>Sector:</b>	Fisheries
<b>Sub-Sector:</b>	Fish Harvesting and Processing
<b>Industry Classification:</b>	SIC 031 Fishing Industry
<b>Type of Reservation:</b>	National Treatment (Article ___ Investment) Most-Favoured-Nation Treatment (Article ___ Investment)
<b>Level of Government:</b>	Federal
<b>Measures:</b>	<i>Coastal Fisheries Protection Act</i> , R.S.C. 1985, c. C-33  <i>Fisheries Act</i> , R.S.C. 1985, c. F-14  <i>Coastal Fisheries Protection Regulations</i> , C.R.C. 1978, c. 413  <i>Policy on Foreign Investment in the Canadian Fisheries Sector</i> , 1985  <i>Commercial Fisheries Licensing Policy</i>
<b>Description:</b>	<u>Investment</u>  Under the <i>Coastal Fisheries Protection Act</i> , foreign fishing vessels are prohibited from entering Canada's Exclusive Economic Zone except under authority of a licence or under treaty. "Foreign" vessels are those which are not "Canadian" as defined in the <i>Coastal Fisheries Protection Act</i> . Under the <i>Fisheries Act</i> , the Minister of Fisheries and Oceans has discretionary authority with respect to the issuance of licences.  Fish processing enterprises that have a foreign ownership level of more than 49 per cent are prohibited from holding Canadian commercial fishing licences.
<b>Phase-Out:</b>	None

<b>Sector:</b>	Fisheries
<b>Sub-Sector:</b>	Fishing-Related Services
<b>Industry Classification:</b>	SIC 032 Services Incidental to Fishing
<b>Type of Reservation:</b>	National Treatment (Article ____ Services) Most-Favoured-Nation Treatment (Article ____ Services)
<b>Level of Government:</b>	Federal
<b>Measures:</b>	<i>Coastal Fisheries Protection Act</i> , R.S.C. 1985, c. C-33
<b>Description:</b>	<u>Cross-Border Services</u>

Under the *Coastal Fisheries Protection Act*, the Department of Fisheries and Oceans is responsible for controlling the activities of foreign fishing vessels in Canada's Exclusive Economic Zone, including access to Canadian ports (port privileges).

In general, the Department grants such port privileges, including the purchase of fuel and supplies, ship repair, crew exchanges and transshipment of fish catches, only to fishing vessels from a country with which it has favourable fishery relations, based primarily on adherence by that country to Canadian and international conservation practices and policies. Exceptions to this general rule are permitted in cases of emergency ("force majeure") and where the specific provisions of bilateral fisheries treaties apply.

<b>Phase-Out:</b>	None
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<b>Sector:</b>	Professional, Technical and Specialized Services
<b>Sub-Sector:</b>	Professional Services
<b>Industry Classification:</b>	SIC 862 Auditing Services
<b>Type of Reservation:</b>	National Treatment (Article ____ Services) Local Presence (Article ____ Services)
<b>Level of Government:</b>	Federal
<b>Measures:</b>	<i>Bank Act</i> , S.C. 1991, c. 46 <i>Insurance Companies Act</i> , S.C. 1991, c. 47 <i>Cooperative Credit Associations Act</i> , 1991, c. 48 <i>Trust and Loan Companies Act</i> , 1991, c. 45
<b>Description:</b>	<u>Cross-Border Services</u>  Banks are required to have a firm of accountants to be auditors of the bank. A firm of accountants must be qualified as set out in the <i>Bank Act</i> . Among the qualifications required is that two or more members of the firm must be ordinarily resident in Canada and that the member of the firm jointly designated by the firm and the bank to conduct the audit must be ordinarily resident in Canada.  An insurance company, a cooperative credit association, and a trust or loan company require an auditor who can either be a natural person or a firm of accountants. An auditor of such an institution must be qualified as set out in the <i>Insurance Companies Act</i> , the <i>Cooperative Credit Associations Act</i> or the <i>Trust and Loan Companies Act</i> , as the case may be. In the case where a natural person is appointed to be the auditor of such a financial institution, among the qualifications required is that the person must be ordinarily resident in Canada. In the case where a firm of accountants is appointed to be the auditor of such a financial institution, the member of the firm jointly designated by the firm and the financial institution to conduct the audit must be ordinarily resident in Canada.
<b>Phase-Out:</b>	None

<b>Sector:</b>	Transportation
<b>Sub-Sector:</b>	Land Transportation
<b>Industry Classification:</b>	SIC 456      Truck Transport Industries SIC 4572      Interurban and Rural Transit Systems Industry SIC 4573      School Bus Operations Industry SIC 4574      Charter and Sightseeing Bus Services Industry
<b>Type of Reservation:</b>	National Treatment (Article ____ Services)  Local Presence (Article ____ Services)
<b>Level of Government:</b>	Federal (administration delegated to provinces)
<b>Measures:</b>	<i>Motor Vehicle Transport Act</i> , 1987, R.S.C., 1985, c. 29, (3rd Supp.), Parts I and II  <i>Canada Transportation Act</i> , S.C. 1996, c. 10  <i>Customs Tariff</i> , 1997, c.36
<b>Description:</b>	<u>Cross-Border Services</u>  Only persons of Canada using Canadian-registered and either Canadian-built or duty-paid trucks or buses, may provide truck or bus services between points in the territory of Canada.
<b>Phase-Out:</b>	None

<b>Sector:</b>	Transportation
<b>Sub-Sector:</b>	Water Transportation
<b>Industry Classification:</b>	SIC 4541 Freight and Passenger Water Transport Industry SIC 4542 Ferry Industry SIC 4543 Marine Towing Industry SIC 4549 Other Water Transport Industries SIC 4553 Marine Salvage Industry SIC 4554 Piloting Service, Water Transport Industry SIC 4559 Other Service Industries Incidental to Water Transport
<b>Type of Reservation:</b>	National Treatment (Article _____ Services) Local Presence (Article _____ Services)
<b>Measures:</b>	<i>Canada Shipping Act, R.S.C. 1985, . S-9, Part II</i> <i>Marine Certification Regulations, SOR 97-391</i>
<b>Description:</b>	<u>Cross-Border Services</u>  Masters, mates, engineers and certain other seafarers must hold certificates granted by the Minister of Transport as a requirement of service on Canadian registered ships. Such certificates may be granted only to Canadian citizens or permanent residents.
<b>Phase-Out:</b>	None

<b>Sector:</b>	Transportation
<b>Sub-Sector:</b>	Water Transportation
<b>Industry Classification:</b>	SIC 4554 Piloting Service, Water Transport Industry
<b>Type of Reservation:</b>	National Treatment (Article ____ Services) Local Presence (Article _____ Services)
<b>Level of Government:</b>	Federal
<b>Measures:</b>	<i>Pilotage Act</i> , R.S.C., 1985, c. P-14  <i>General Pilotage Regulations</i> , SOR/2000-132  <i>Atlantic Pilotage Authority Regulations</i> , C.R.C. 1978, c. 1264  <i>Laurentian Pilotage Authority Regulations</i> , C.R.C. 1978, c. 1268  <i>Great Lakes Pilotage Regulations</i> , C.R.C. 1978, c. 1266  <i>Pacific Pilotage Regulations</i> , C.R.C. 1978, c. 1270
<b>Description:</b>	<u>Cross-Border Services</u> Subject to the Schedule of Canada, Annex II, page _____, a licence or a pilotage certificate issued by the relevant regional Pilotage Authority is required to provide pilotage services in the compulsory pilotage waters of the territory of Canada. Only Canadian citizens or permanent residents may obtain such a licence or pilotage certificate. A permanent resident of Canada who has been issued a pilot's licence or pilotage certificate must become a Canadian citizen within five years of receipt of such licence or pilotage certificate in order to retain it.
<b>Phase-Out:</b>	None

<b>Sector:</b>	Transportation
<b>Sub-Sector:</b>	Water Transportation
<b>Industry Classification:</b>	SIC 454 Water Transport Industries
<b>Type of Reservation:</b>	Local Presence (Article ____ Services)
<b>Level of Government:</b>	Federal
<b>Measures:</b>	<i>Shipping Conferences Exemption Act, 1987</i> , R.S.C. 1985, c. 17 (3rd Supp.)
<b>Description:</b>	<u>Cross-Border Services</u>  Members of a shipping conference must maintain jointly an office or agency in the region of Canada where they operate. A shipping conference is an association of ocean carriers that has the purpose or effect of regulating rates and conditions for the transportation by those carriers of goods by water.
<b>Phase-Out:</b>	None

**Sector:** Transportation

**Sub-Sector:** Water Transportation

**Industry Classification:** SIC 4541 Freight and Passenger Water Transport Industry  
SIC 4542 Ferry Industry  
SIC 4543 Marine Towing Industry

**Type of Reservation:** Most-Favored-Nation Treatment (Article \_\_\_\_\_ Services)

**Level of Government:** Federal

**Measures:** *Coasting Trade Act*, S.C. 1992, c. 31

**Description:** Cross-Border Services  
The prohibitions under the *Coasting Trade Act*, set out in Schedule of Canada, Annex II, page \_\_\_\_\_, do not apply to any vessel that is owned by the U.S. Government when used solely for the purpose of transporting goods owned by the U.S. Government from the territory of Canada to supply Distant Early Warning sites.

**Phase-Out:** None