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**ANNEX I
SCHEDULE OF MEXICO**

Introductory Note for the Schedule of Mexico

1. **Description** provides a general non-binding description of the measure for which the entry is made.
2. In accordance with Articles 10.7.1 (Cross Border Trade in Services – Non-Conforming Measures) and 9.11.1 (Investment – Non-Conforming Measures), the articles of this Agreement specified in the **Obligations Concerned** element of an entry do not apply to the non-conforming aspects of the law, regulation, or other measure identified in the **Measures** element of that entry.
3. In the interpretation of a reservation, all elements of the reservation shall be considered. A reservation shall be interpreted in the light of the relevant provisions of the Chapters against which the reservation is taken. To the extent that:

(a) the **Measures** element is qualified by a liberalization commitment from the **Description** element, the **Measures** element as so qualified shall prevail over all other elements; and

(b) the **Measures** element is not so qualified, the **Measures** element shall prevail over all other elements, unless any discrepancy between the **Measures** element and the other elements considered in their totality is so substantial and material that it would be unreasonable to conclude that the **Measures** element should prevail, in which case the other elements shall prevail to the extent of that discrepancy.

4. For the purposes of this Annex:

The term “CMAP” means Mexican Classification of Activities and Products (Clasificación Mexicana de Actividades y Productos) numbers as set out in National Institute for Statistics and Geography (Instituto Nacional de Estadística y Geografía), Mexican Classification of Activities and Products (Clasificación Mexicana de Actividades y Productos), 1994;

The term “concession” means an authorization provided by the Mexican State to a person to exploit a natural resource or provide a service, for which Mexican nationals and Mexican enterprises are granted priority over foreigners;

The term “foreigners’ exclusion clause” means the express provision in an enterprise’s by-laws, stating that the enterprise shall not allow foreigners, directly or indirectly, to become partners or shareholders of the enterprise.

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1. Sector:	All sectors
Sub-Sector:	
Industry Classification:	
Obligations Concerned:	National Treatment (Article 9.4)
Level of Government:	Federal
Measures:	<p>United Mexican States Political Constitution (Constitución Política de los Estados Unidos Mexicanos), Article 27.</p> <p>Foreign Investment Law (Ley de Inversión Extranjera), Title II, Chapters I and II</p> <p>Regulations to the Foreign Investment Law and the National Registry for Foreign Investment (Reglamento de la Ley de Inversión Extranjera y del Registro Nacional de Inversiones Extranjeras), Title II, Chapters I and II.</p>
Description:	<p>Investment</p> <p>Foreign nationals or foreign enterprises may not acquire property rights (“dominio directo”) over land and water in a 100-kilometer strip along the country’s borders or in a 50-kilometer strip inland from its coasts (the “Restricted Zone”).</p> <p>Mexican enterprises without a foreigners’ exclusion clause may acquire property rights (“dominio directo”) over real estate located in the Restricted Zone, used for non- residential purposes. Notice of the acquisition must be given to the Ministry of Foreign Affairs (Secretaría de Relaciones Exteriores, SRE) within the sixty business days following the date of acquisition.</p> <p>Mexican enterprises without a foreigners’ exclusion clause may not acquire property rights (“dominio directo”) over real estate located in the Restricted Zone, used for residential purposes.</p> <p>Pursuant to the procedure described below, Mexican</p>

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enterprises without a foreigners' exclusion clause may acquire rights for the use and enjoyment over real estate in the "Restricted Zone", used for residential purposes. Such a procedure shall also apply when foreign nationals or foreign enterprises seek to acquire rights for the use and enjoyment over real estate in the Restricted Zone regardless of the purpose for which the real estate is used.

A permit from the SRE is required for credit institutions to acquire, as trustees, rights to real estate located in the Restricted Zone, when the purpose of the trust is to allow the use and enjoyment of such real estate, without granting real property rights thereof, and the trust beneficiaries are the Mexican enterprises without a foreigners' exclusion clause, or the foreign nationals or foreign enterprises referred to above.

The terms "use" and "enjoyment" of the real estate located in the Restricted Zone mean the rights to use or enjoy such real estate, including, as applicable, obtaining fruits, products and, in general, any yield resulting from lucrative operation and exploitation through third parties or through the credit institutions acting as trustees.

The duration of the trust referred to in this reservation shall be for a maximum period of 50 years, which may be renewed on request by the interested party.

The SRE can verify at any time the compliance with the conditions under which the permits referred to in this reservation are granted, as well as the submission and veracity of the notices mentioned above.

The SRE shall resolve on the permits, considering the economic and social benefits that these operations could imply to the Nation.

Foreign nationals or foreign enterprises seeking to acquire real estate outside the Restricted Zone, shall previously submit to the SRE a statement agreeing to consider themselves Mexican nationals for the above mentioned purposes, and waiving to invoke the protection of their governments with respect to such real estate.

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2.Sector:	All sectors
Sub-Sector:	
Industry Classification:	
Obligations Concerned:	National Treatment (Article 9.4) Market Access (Article 10.5)
Level of Government:	Federal
Measures:	Foreign Investment Law (Ley de Inversión Extranjera), Title VI, Chapter III
Description:	<p>Investment and cross border services</p> <p>The National Commission on Foreign Investment (Comisión Nacional de Inversiones Extranjeras, CNIE), in order to evaluate applications submitted for its consideration (acquisitions or establishment of investments in restricted activities as set out in this Schedule), shall take into account the following criteria:</p> <ul style="list-style-type: none">(a) the effects on employment and training of workers;(b) the technological contribution;(c) the compliance with the environmental provisions contained in the environmental legislation; and(d) in general, the contribution to increase the competitiveness of the Mexican productive system. <p>When resolving an application, the CNIE may only impose requirements that do not distort international trade and that are not prohibited by Article 9.9.</p>

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3.Sector:	All sectors
Sub-Sector:	
Industry Classification:	
Obligations Concerned:	National Treatment (Article 9.4)
Level of Government:	Federal
Measures:	Foreign Investment Law (Ley de Inversión Extranjera), Title I, Chapter III As qualified by the Description element
Description:	Investment Favorable resolution from the National Commission on Foreign Investment (Comisión Nacional de Inversiones Extranjeras, CNIE) is required for investors of another Party or their investments to participate, directly or indirectly, in more than 49% of the ownership interest of a Mexican enterprise in an unrestricted sector, only when the total value of the assets of the Mexican enterprise exceeds the applicable threshold at the time the application for acquisition is submitted. The applicable threshold for the review of an acquisition of a Mexican enterprise shall be the amount so determined by the CNIE. The threshold at the time of entry into force of the TPP for Mexico will be the equivalent in Mexican pesos to one billion US dollars, using the official exchange rate from October 5 th , 2015. Each year, the threshold will be adjusted according to the nominal growth rate of the Mexican Gross Domestic Product, as published by the National Institute for Statistics and Geography (Instituto Nacional de Estadística y Geografía, INEGI).

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4. Sector:	All sectors
Sub-Sector:	
Industry Classification:	
Obligations Concerned:	National Treatment(Article 9.4) Senior Management and Boards of Directors (Article 9.10)
Level of Government:	Federal
Measures:	United Mexican States Political Constitution (Constitución Política de los Estados Unidos Mexicanos), Article 25 General Law of Cooperative Companies (Ley General de Sociedades Cooperativas), Title I, and Title II, Chapter II Federal Labor Law (Ley Federal del Trabajo), Title I Foreign Investment Law (Ley de Inversión Extranjera), Title I, Chapter III
Description:	Investment and cross border services No more than 10 percent of the persons participating in a Mexican cooperative production enterprise may be foreign nationals. Investors of the other Party or their investments may only own, directly or indirectly, up to 10 percent of the ownership interest in a Mexican cooperative production enterprise. No foreign nationals may engage in general administrative functions or perform managerial activities in that enterprise. A cooperative production enterprise is an enterprise whose members join their personal work, whether physical or intellectual, with the purpose of producing goods or services.

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5.Sector:	All Sectors
Sub-Sector:	
Industry Classification:	
Obligations Concerned:	National Treatment (Article 9.4)
Level of Government:	Federal
Measures:	Federal Law to Foster the Microindustry and Handicraft Activity (Ley Federal para el Fomento de la Microindustria y la Actividad Artesanal), Chapters I, II, III and IV
Description:	<p>Investment</p> <p>Only Mexican nationals may apply for a license (“cédula”) to qualify as a microindustry enterprise.</p> <p>Mexican microindustry enterprises may not have foreign persons as partners.</p> <p>The Federal Law to Foster the Microindustry and Handicraft Activity (Ley Federal para el Fomento de la Microindustria y Actividad Artesanal) defines “microindustry enterprise” as the enterprise integrated by up to fifteen workers, that is engaged in the transformation of goods, and whose annual sales do not exceed the amount so determined periodically by the Ministry of Economy (Secretaría de Economía, SE).</p>

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6.Sector:	Agriculture, Livestock, Forestry, and Lumber Activities
Sub-Sector:	Agriculture, Livestock or Forestry
Industry Classification:	CMAP 1111 Agriculture CMAP 1112 Livestock and hunting (limited to livestock) CMAP 1200 Forestry and felling Trees
Obligations Concerned:	National Treatment (Article 9.4)
Level of Government:	Federal
Measures:	United Mexican States Political Constitution (Constitución Política de los Estados Unidos Mexicanos), Article 27 Agrarian Law (Ley Agraria), Title VI Foreign Investment Law (Ley de Inversión Extranjera), Title I, Chapter III
Description:	Investment Only Mexican nationals or Mexican enterprises may own land for agriculture, livestock or forestry purposes. Such enterprises must issue a special type of share ("T" share) representing the value of that land at the time of its acquisition. Investors of the other Party or their investments may only own, directly or indirectly, up to 49 percent of "T" shares.

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7.Sector:	Retail Trade
Sub-Sector:	Sale of Non-Food Products in Specialized Establishments
Industry Classification:	CMAP 623087 Retail Trade of Firearms, Cartridges and Munitions CMAP 612024 Wholesale Trade Not Elsewhere Classified (limited to firearms, cartridges and munitions)
Obligations Concerned:	National Treatment (Article 9.4)
Level of Government:	Federal
Measures:	Foreign Investment Law (Ley de Inversión Extranjera), Title I, Chapter III
Description:	Investment Investors of the other Party or their investments may only own, directly or indirectly, up to 49 percent of the ownership interest in an enterprise established or to be established in the Territory of Mexico that is engaged in the sale of explosives, firearms, cartridges, ammunition, and fireworks, excluding the acquisition and use of explosives for industrial and extractive activities, and the preparation of explosive mixtures for such activities.

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8.Sector:	Communications
Sub-Sector:	Broadcasting (radio and free to air television)
Industry Classification:	<p>CMAP 941104 Private Production and Transmission of Radio Programs (limited to production and transmission of sound broadcasting (radio) programs)</p> <p>CMAP 941105 Private Services of production, Transmission and Retransmission of Television Programming (limited to transmission and retransmission of free-to-air television programming)</p>
Obligations Concerned:	<p>National Treatment (Articles 9.4 and 10.3)</p> <p>Local Presence (Article 10.6)</p>
Level of Government:	Federal
Measures:	<p>United Mexican States Political Constitution (Constitución Política de los Estados Unidos Mexicanos), Articles 28 and 32</p> <p>Federal Telecommunications and Broadcasting Law (Ley Federal de Telecomunicaciones y Radiodifusión), Title IV, Chapters I, III and IV, Title XI, Chapter II.</p> <p>General Means of Communication Law (Ley de Vías Generales de Comunicación), Book I, Chapter III (when it does not oppose to the Federal Telecommunication and Broadcasting Law).</p> <p>Regulations to the Radio and Television Federal Law,</p>

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in the Matter of Concessions, Permits and Content of Radio and Television Transmissions (Reglamento de la Ley Federal de Radio y Televisión, en Materia de Concesiones, Permisos y Contenido de las Transmisiones del Radio y Televisión)

Foreign Investment Law (Ley de Inversión Extranjera), Title I, Chapters II and III

Regulations to the Foreign Investment Law and the National Registry for Foreign Investment (Reglamento de la Ley de Inversión Extranjera y del Registro Nacional de Inversiones Extranjeras), Title VI

Description:

Investment and Cross-Border Services

According to their purposes, sole concessions and frequency band concessions will be granted only to Mexican nationals or enterprises constituted under Mexican laws and regulations.

Investors of a Party or their investments may participate up to 49% in concessionaire enterprises providing broadcasting services. This maximum foreign investment, will be applied according to the reciprocity existent with the country in which the investor or trader who ultimately controls it directly or indirectly constituted.

For the purposes of the above paragraph, a previous favorable opinion of the Mexican Foreign Investment Commission is required to grant the concession for providing broadcasting services in which foreign investment participate.

Among the social concessions, indigenous concessions may be granted to indigenous people and communities in the country for the promotion, development and preservation of their languages, culture, knowledge promoting their traditions, internal

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rules and under principles which respect gender equality, enabling the integration of indigenous women in the participation of the objectives for which the concession is granted and other elements that constitute indigenous cultures and identities.

Under no circumstances may the concession, the rights conferred therein, facilities, auxiliary services, offices or accessories and properties affected thereto, be assigned, encumbered, pledged or given in trust, mortgaged or transferred totally or partially to any foreign government or state.

The State shall guarantee that the broadcasting promotes the values of national identity. The broadcasting concessions shall use and stimulate local and national artistic values and expressions of Mexican culture. The daily program starring actors shall include a larger time covered by Mexicans.

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9.Sector:	Communications
Sub-Sector:	Telecommunications (Including resellers and restricted television and audio service)
Industry Classification:	CMAP 720006 Other Telecommunications Services (limited to satellite communications) CMAP 720006 Other Telecommunications services (Not including Enhanced or Value Added Services) CMAP 502003 Telecommunications installations CMAP 720006 Other Telecommunications Services (limited to resellers)
Obligations Concerned:	National Treatment (Articles 9.4 and 10.3) Local Presence (Article 10.6)
Level of Government:	Federal
Measures:	United Mexican States Political Constitution (Constitución Política de los Estados Unidos Mexicanos), Article 28 Federal Telecommunications and Broadcasting Law (Ley Federal de Telecomunicaciones y Radiodifusión), Title IV, Chapters I, III and IV, Title V, chapter VIII, and Title VI, unique chapter General Means of Communication Law (when it does not oppose to the Federal Telecommunications and Broadcasting Law). Foreign Investment Law (Ley de Inversión Extranjera) Title I, Chapter II Regulations to the Foreign Investment Law and the National Registry for Foreign Investment (Reglamento de la Ley de Inversión Extranjera y del Registro Nacional de Inversiones Extranjeras), Title VI.

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Description: Cross-Border Services

According to their purposes, sole concessions and frequently band concessions will be granted only to Mexican nationals or enterprises constituted under Mexican Laws and regulations.

Among the social concessions, indigenous concessions may be granted to indigenous people and communities in the country for the promotion, development and preservation of their languages, culture, knowledge promoting their traditions, internal rules and under principles which respect gender equality, enabling the integration of indigenous women in the participation of the objectives for which the concession is granted and other elements that constitute indigenous cultures and identities.

Indigenous concessions may only be granted to indigenous people and communities in Mexico without any kind of foreign investment.

Under no circumstances may the concession, the rights conferred therein, facilities, auxiliary services, offices or accessories and properties affected thereto, be assigned encumbered, pledged or given in trust, mortgaged or transferred totally or partially to any foreign government or state.

Only Mexican nationals and enterprises established under Mexican laws may obtain authorization to provide telecommunication services as a reseller without being a concessionaire.

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10. Sector:	Communications
Sub-Sector:	Transportation and Telecommunications
Industry Classification:	CMAP 7200 Communications (including telecommunications and postal services) CMAP 7100 Transport
Obligations Concerned:	National Treatment (Article 9.4)
Level of Government:	Federal
Measures	Ports Law (Ley de Puertos), Chapter IV Regulatory Law of the Railway Service (Ley Reglamentaria del Ferroviario), Chapter II, Section III Civil Aviation Law (Ley de Aviación Civil), Chapter III, Section III Airports Law (Ley de Aeropuertos), Chapter IV Roads, Bridges and Federal Road Transport Law (Ley de Caminos, Puentes y Autotransporte Federal), Title I, Chapter III Federal Telecommunications and Broadcasting Law (Ley Federal de Telecomunicaciones y Radiodifusión), Title IV, Chapters I, III and IV General Means of Communication Law (Ley de Vías Generales de Comunicación), Book I, Chapters III and V
Description:	Investment Foreign governments and foreign States may not invest, directly or indirectly, in Mexican enterprises engaged in communications, transportation and other general means of communications.

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11.Sector:	Transportation
Sub-Sector:	Land Transportation and Water Transportation
Industry Classification:	CMAP 501421 Construction of Maritime and River Works CMAP 501422 Construction of Roadworks and Works for Land Transport
Obligations Concerned:	National Treatment (Articles 9.4 and 10.3) Local Presence (Article 10.6)
Level of Government:	Federal
Measures:	United Mexican States Political Constitution (Constitución Política de los Estados Unidos Mexicanos), Article 32 Roads, Bridges and Federal Road Transport Law (Ley de Caminos, Puentes y Autotransporte Federal), Title I, Chapter III Ports Law (Ley de Puertos), Chapter IV Commercial and Navigation Maritimes Law (Ley de Navegación y Comercio Marítimos), Title I, Chapter II
Description:	Cross-Border Services A concession granted by the Ministry of Communications and Transportation (Secretaría de Comunicaciones y Transportes, SCT) is required to construct and operate, or only operate, marine or river works. A concession is also required to build, operate, exploit, conserve or maintain federal roads and bridges. Only Mexican nationals and Mexican enterprises may obtain such a concession.

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12.Sector:	Energy
Sub-Sector:	Oil and Other Hydrocarbons Exploration and Production Transportation, treatment, refining, processing, storage, distribution, compression, liquefaction, decompression, regasification, sale to the public and commercialization of hydrocarbons, petroleum products and petrochemicals, as well as the users of such products and services. Exporting and importing of hydrocarbons and petroleum products
Industry Classification:	
Obligations Concerned:	Performance Requirements (Article 9.9) Local Presence (Article 10.6) National Treatment (Articles 9.4 and 10.3) Market Access (Article 10.5)
Level of Government:	Federal
Measures:	United Mexican States Political Constitution (Constitución Política de los Estados Unidos Mexicanos), Articles 25, 27 and 28 Hydrocarbons Law (Ley de Hidrocarburos) Articles 1, 3, 5, 6, 11, 18, 41, 46, 83, 120, 128 and Twenty Fourth Transitory Provision Foreign Trade Law (Ley de Comercio Exterior) Hydrocarbons Law Regulations (Reglamento de la Ley de Hidrocarburos), Articles 14 and 36. Regulation of the activities referred to by the Third Title of the Hydrocarbons Law (Reglamento de las actividades a que se refiere el Título Tercero de la Ley de Hidrocarburos), Article 51

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Methodology for the Measurement of the National Content in the Entitlements and Exploration and Production Contracts of Hydrocarbons, and the permits in the Hydrocarbons Industry, issued by the Ministry of Economy (Metodología para la Medición del Contenido Nacional en Asignaciones y Contratos para la Exploración y Extracción de Hidrocarburos, así como para los permisos en la Industria de Hidrocarburos, emitida por la Secretaría de Economía)

Description:

Investment and Cross-Border Trade in Services

The Nation has the direct, inalienable and imprescriptible ownership of all hydrocarbons in the subsoil of the national territory, including the continental shelf and the exclusive economic zone located outside the territorial sea and adjacent thereto, in strata or deposits, regardless of their physical conditions. Only the Nation shall conduct the exploration and production of hydrocarbons, through entitlements or contracts. The exploration and production contracts shall invariably stipulate that the hydrocarbons in the subsoil are property of the Nation.

The Ministry of Energy shall establish the appropriate contract model for each contractual area that undergoes a bidding process and is awarded according to the laws; for which it may choose among other contracting models: services, profit-sharing, production-sharing, or licenses.

The exploration and production activities of hydrocarbons conducted in the national territory through entitlements and exploration and production contracts must comply with a minimum national content percentage goal on average. This national content average goal will not take into account exploration and production of hydrocarbons in deep-water and ultra-deep water, which will have a different national content requirement established by the Ministry of Economy with the opinion of the Ministry of Energy considering the characteristics of those activities.

The above mentioned mandate must comply with the methodology established by the Ministry of Economy, and must consider that it doesn't affect the competitive position of the PEMEX or any other state productive enterprises and

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other economic agents developing exploration and production of hydrocarbons.

The Federal Executive shall establish safeguard zones in the areas in which the State decides to prohibit exploration and production activities, different from protected natural areas in which entitlements and contracts cannot be awarded.

The Mexican Government should include within the conditions for the entitlements and exploration and production contracts, as well as in the permits, that under the same circumstances of prices, quality and timely delivery, preference should be given to the purchase of national goods and the contracting of domestic services, including the training and hiring, at a technical and directive level, of Mexican nationals.

The Ministry of Energy and the Energy Regulatory Commission will establish the permit models for the transportation, treatment, refining, processing, storage, distribution, compression, liquefaction, decompression, regasification, sale to the public and commercialization of hydrocarbons, petroleum products and petrochemicals, taking into account that permit-holders must have an address in Mexico. The permits for the exporting and importing of hydrocarbons and petroleum products will be issued according to the Foreign Trade Law, which requires permit-holders to have a domicile in Mexico.

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13.Sector:	Energy
Sub-Sector:	Oil and Other Hydrocarbons Exploration and Production Transportation, treatment, refining, processing, storage, distribution, compression, liquefaction, decompression, regasification, sale to the public and commercialization of hydrocarbons, petroleum products and petrochemicals, as well as the users of such products and services
Industry Classification:	
Obligations Concerned:	Performance Requirements (Article 9.9) Local Presence (Article 10.6) National Treatment (Articles 9.4 and 10.3) Market Access (Article 10.5)
Level of Government:	Federal
Measures:	United Mexican States Political Constitution (Constitución Política de los Estados Unidos Mexicanos), Articles, 25, 27 and 28. Decree amending and supplementing various provisions of the Articles 25, 27 and 28 of the United Mexican States Political Constitution (Constitución Política de los Estados Unidos Mexicanos) Hydrocarbons Law (Ley de Hidrocarburos), Articles 1, 3, 5, 6, 8, 11, 12, 16, 17, 18, 19, 29, 41, 46 83, 122, 128 and transitory provisions 8, 24, and 28 PEMEX Law (Ley de Petróleos Mexicanos), Articles 2, 4, 5, 7, 59, 63, 76, 77, and 78. Hydrocarbons Law Regulations (Reglamento de la Ley de Hidrocarburos), Articles 14 and 36.
Description:	Investment and Cross-Border Trade in Services The Nation has the direct, inalienable and imprescriptible ownership of all hydrocarbons in the subsoil of the national

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territory, including the continental shelf and the exclusive economic zone located outside the territorial sea and adjacent thereto, in strata or deposits, regardless of their physical conditions. Only the Nation shall conduct the exploration and production of hydrocarbons, through entitlements or contracts, which must invariably stipulate that the hydrocarbons in the subsoil are property of the Nation.

The Ministry of Energy, with technical assistance from the National Hydrocarbons Commission, might award entitlements to PEMEX, as a state productive enterprise, for the exploration and production of hydrocarbons. In that regard, PEMEX may only transfer an entitlement to another state productive enterprise.

In order to perform the activities related to the entitlements, Pemex shall only execute service contracts with private parties.

The State may mandate PEMEX through its entitlements, exploration and production contracts, and permits, to include preferences for the purchase of national goods, contracting domestic services, as well as a preference for nationals, including technicians and senior management.

The above mentioned mandate must comply with the methodology established by the Ministry of Economy, and consider that it doesn't affect the competitive position of the state productive enterprise and other economic agents developing exploration and production of hydrocarbons.

The Ministry of Energy might establish a direct participation for PEMEX, or another state productive enterprise, in the contracts for exploration and production of hydrocarbons, when the contractual area coexists with an entitlement, when there are opportunities to transfer knowledge and technology, and when there is the possibility of finding a transboundary reservoir.

Until December 31, 2017 PEMEX might be the sole entity in charge of the commercialization of hydrocarbons. Until December 31, 2016 PEMEX will be the only permit-holder for the importing and exporting of gasolines and diesel.

The Ministry of Energy and the Energy Regulatory Commission will establish the permit models for the

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transportation, treatment, refining, processing, storage, distribution, compression, liquefaction, decompression, regasification, sale to the public and commercialization of hydrocarbons, petroleum products and petrochemicals, taking into account that permit-holders must have an address in Mexico. The permits for the exporting and importing of hydrocarbons and petroleum products will be issued according to the Foreign Trade Law, which requires permit-holders to have a domicile in Mexico.

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14.Sector:	Energy
Sub-Sector:	Electricity
Industry Classification:	
Obligations Concerned:	National Treatment (Articles 9.4 and 10.3) Performance Requirements (Article 9.9) Local Presence (Article 10.6) Market Access (Article 10.5)
Level of Government:	Federal
Measures:	Decree amending and supplementing various provisions of Articles 25, 27 and 28 of the United Mexican States Political Constitution (Constitución Política de los Estados Unidos Mexicanos) Electric Industry Law (Ley de la Industria Eléctrica), Articles 30, 91, 93, and 130 Federal Electricity Commission Law (Ley de la Comisión Federal de Electricidad), Articles 5 and 78 Hydrocarbons Law (Ley de Hidrocarburos), Article 128 Geothermal Energy Law (Ley de Energía Geotérmica), Article 30
Description:	Investment and Cross- Border Trade in Services Through contracts, private persons, on behalf of the Nation, may perform, among other activities, the financing, installation, maintenance, management, operation and expansion of the infrastructure needed to provide the public service of transmission and distribution of electricity. The modalities of contracts to perform the above mentioned activities must be subject to a minimum percentage of national content, which will be determined by the Ministry of Energy and de Energy Regulatory Commission with the opinion of the Ministry of Economy, except when there are

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not national suppliers to fulfill that requirement.

Regarding all other corporate activities of the Federal Electricity Commission (CFE), and its subsidiary productive enterprises, according to CFE's Law the Board of Directors will issue regulations for the acquisition, leasing, contracting of services and execution of works. Among others, the Board may require minimum national content percentages according to the nature of the contracting, the tariff regulation and in accordance with the international treaties in which Mexico is a signatory.

The Ministry of Energy and the Energy Regulatory Commission, with the opinion of the Ministry of the Economy, should include within the conditions for the assignation and Exploration and Production contracts, as well as for the permits, that under the same circumstances of prices, quality, and timely delivery, preference should be given to the purchase of national goods and the hiring of domestic services, including training and hiring, at a technical and directive level, persons with Mexican nationality.

The Ministry of Energy will grant permits for the exploration and concessions for the exploitation of areas with geothermal resources to natural persons or to enterprises incorporated under the Mexican legislation, in order to generate electricity or for other purposes. All permits granted under the Electric Industry Law will be granted by the CRE. Permit holders must be natural persons or enterprises incorporated under the Mexican legislation.

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15.Sector:	Energy
Sub-Sector:	Hydrocarbons and petroleum products
Industry Classification:	CMAP 626000 Retail Trade of Gasoline and Diesel (including lubricants, oils and additives sold at service stations)
Obligations Concerned:	Local Presence (Article 10.6)
Level of Government:	Federal
Measures:	Hydrocarbons Law (Ley de Hidrocarburos) Transitory Provision 14 Regulation of the activities referred to by the Third Title of the Hydrocarbons Law (Reglamento de las actividades a que se refiere el Título Tercero de la Ley de Hidrocarburos), Article 51
Description:	Cross-Border Trade in Services Permits for the sale to the public of gasoline and diesel fuel will be granted by the Energy Regulatory Commission starting on January 1, 2016, to economic agents established in the Mexican territory.

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16.Sector:	Energy
Sub-Sector:	Hydrocarbons and petroleum products (Supply of fuel and lubricants for aircraft, ships and railway equipment)
Industry Classification:	
Obligations Concerned:	National Treatment (Article 9.4)
Level of Government:	Federal
Measures:	Foreign Investment Law (Ley de Inversión Extranjera), Title I, Chapter III
Description:	Investment Investors of the other Party or their investments may own, directly or indirectly, up to 49 percent of the ownership interest of a Mexican enterprise which supplies fuel and lubricants for aircraft, vessels and railway equipment.

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17.Sector:	Energy
Sub-Sector:	
Industry Classification:	CMAP 623090 Retail Trade of other Articles and Goods Not Elsewhere Classified (limited to distribution, transportation and storage of natural gas)
Obligations Concerned:	Local Presence (Article 10.6)
Level of Government:	Federal
Measures:	Hydrocarbons Law (Ley de Hidrocarburos), Article 48 Regulation of the activities referred to by the Third Title of the Hydrocarbons Law (Reglamento de las actividades a que se refiere el Título Tercero de la Ley de Hidrocarburos), Article 51
Description:	Cross-Border Services A permit granted by the Energy Regulatory Commission (Comisión Reguladora de Energía) is required to provide services of commercialization, distribution, transportation, storage compression, decompression, liquefaction, regasification and sale to the public of natural gas, to economic agents established in the Mexican territory. To obtain such permit the interested must prove that they have their domicile in Mexico.

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18.Sector:	Printing, Editing and Associated Industries
Sub-Sector:	Newspaper Publishing
Industry Classification:	CMAP 342001 Publishing of Newspapers, Magazines and Periodicals (limited to newspapers)
Obligations Concerned:	National Treatment (Article 9.4)
Level of Government:	Federal
Measures:	Foreign Investment Law (Ley de Inversión Extranjera), Title I, Chapter III As qualified by the Description element
Description:	Investment Investors of the other Party or their investments may only own, directly or indirectly, up to 49 percent of the ownership interest in an enterprise established or to be established in the territory of Mexico engaged in the printing or publication of daily newspapers written primarily for a Mexican audience and distributed in the territory of Mexico. For purposes of this reservation, daily newspapers are those published at least five days a week.

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19.Sector:	Manufacture of Goods
Sub-Sector:	Explosives, Fireworks, Firearms and Cartridges
Industry Classification:	CMAP 352236 Manufacture of Explosives and Fireworks CMAP 382208 Manufacture of Firearms and Cartridges
Obligations Concerned:	National Treatment (Article 9.4)
Level of Government:	Federal
Measures:	Foreign Investment Law (Ley de Inversión Extranjera), Title I, Chapter III
Description:	Investment Investors of the other Party or their investments may only own, directly or indirectly, up to 49 percent of the ownership interest in an enterprise established or to be established in the territory of Mexico that manufactures explosives, fireworks, firearms, cartridges and ammunition, excluding the preparation of explosive mixtures for industrial and extractive activities.

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20.Sector:	Fishing
Sub-Sector:	Fishing- related services
Industry Classification:	CMAP 1300 Fishing
Type of Reservation:	National Treatment (Article 10.3) Most-Favored-Nation Treatment (Article 10.4)
Level of Government:	Federal
Measures:	United Mexican States Political Constitution (Constitución Política de los Estados Unidos Mexicanos), Article 32 General Law on Sustainable Fishing and Aquaculture (Ley General de Pesca y Acuacultura Sustentables), Title Six, Chapter IV; Title Seven, Chapter II Law of Navigation and Maritime Commerce (Ley de Navegación y Comercio Marítimos), Title I, Chapter I; Title II, Chapter IV, Title Three, Chapter II Ports Law (Ley de Puertos), Chapters I, IV and VI Regulations to the Fishing Law (Reglamento de la Ley de Pesca), Title Two Chapter I; Chapter II, sixth section
Description:	Cross-Border Services A permit issued, by the Secretariat of Agriculture, Livestock, Rural Development, Fisheries and Food (Secretaría de Agricultura, Ganadería, Desarrollo Rural, Pesca, y Alimentación SAGARPA) through the National Commission of Aquaculture and Fishing (Comisión Nacional de Acuacultura y Pesca CONAPESCA); or by the Ministry of Communications and Transportation (Secretaría de Comunicaciones y Transportes SCT), in the scope of their competence, is required to engage in Fishing activities. A permit issued by SAGARPA is required to carry out

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activities, like fishing jobs needed to justify applications for a concession, and the installation of fixed fishing gear in federal waters. Such permit shall be given preferentially to residents of local communities. In equal circumstances, applications of indigenous communities will be preferred.

An authorization issued by SCT is required, to foreign-flagged vessels, to provide dredging services.

A permit issued by SCT is required, to provide port services related to fishing, like loading operations and supply vessels, maintenance of communication equipment, electricity works, garbage or waste collection and sewage disposal. Only Mexican nationals and Mexican enterprises may obtain such permit.

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21. Sector:	Fishing
Sub-Sector:	Fishing
Industry Classification:	CMAP 130011 Fishing on the High Seas CMAP 130012 Coastal Fishing CMAP 130013 Fresh Water Fishing
Obligations Concerned:	National Treatment (Article 9.4)
Level of Government:	Federal
Measures:	General Law on Sustainable Fishing and Aquaculture (Ley General de Pesca y Acuicultura Sustentables), Title VI, Chapter IV; Title VII, Chapter I; Title XIII, Unique Chapter; Title XIV, Chapter I,II and III Law on Navigation and Maritime Commerce (Ley de Navegación y Comercio Marítimos), Title II, Chapter I Sea Federal Law (Ley Federal del Mar), Title I, Chapters I and III National Waters Federal Law (Ley de Aguas Nacionales), Title I, and Title IV, Chapter I Foreign Investment Law (Ley de Inversión Extranjera), Title I, Chapter III Regulations to the Fishing Law (Reglamento de la Ley de Pesca), Title I, Chapter I; Title II, Chapters I, III, IV, V, and VI; Title III, Chapters III and IV.
Description:	Investment Investors of the other Party or their investments may only own, directly or indirectly, up to 49 percent of the ownership interest in an enterprise established or to be established in

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the territory of Mexico performing coastal fishing, fresh water fishing and fishing in the Exclusive Economic Zone, excluding aquaculture.

Favorable resolution from the National Commission on Foreign Investment (Comisión Nacional de Inversiones Extranjeras, CNIE) is required for investors of the other Party or their investments to own, directly or indirectly, more than 49 percent of the ownership interest in an enterprise established or to be established in the territory of Mexico performing fishing on the high seas.

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22. Sector:	Educational Services
Sub-Sector:	Private Schools
Industry Classification:	CMAP 921101 Private Pre-school Educational Services CMAP 921102 Private Primary Educational Services CMAP 921103 Private Secondary Educational Services CMAP 921104 Private High School Educational Services CMAP 921105 Private Higher Education Services CMAP 921106 Private Education Services that Combine Pre-school, Primary, Secondary, High School and Higher Education Levels
Obligations Concerned:	National Treatment (Article 9.4)
Level of Government:	Federal
Measures:	Foreign Investment Law (Ley de Inversión Extranjera), Title I, Chapter III Law for the Coordination of Higher Education (Ley para la Coordinación de la Educación Superior), Chapter II General Law of Education (Ley General de Educación), Chapter III
Description:	Investment Favorable resolution from the National Commission on Foreign Investment (Comisión Nacional de Inversiones Extranjeras, CNIE) is required for investors of the other Party or their investments to own, directly or indirectly, more than 49 percent of the ownership interest in an enterprise established or to be established in the territory of Mexico that provides pre-school, primary, secondary, high school, higher, and combined private educational services.

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23. Sector:	Professional, Technical and Specialized Services
Sub-Sector:	Medical Services
Industry Classification:	CMAP 9231 Medical, Dental and Veterinary Services provided by the Private Sector (limited to medical services)
Obligations Concerned:	National Treatment (Article 10.3)
Level of Government:	Federal
Measures:	Federal Labor Law (Ley Federal del Trabajo), Chapter I
Description:	Cross-Border Services Only Mexican nationals licensed as doctors in the territory of Mexico may provide in-house medical services in Mexican enterprises.

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24. Sector:	Professional, Technical and Specialized Services
Sub-Sector:	Specialized Personnel
Industry Classification:	CMAP 951012 Services of Customs and Representative Agencies
Obligations Concerned:	National Treatment (Articles 9.4 and 10.3)
Level of Government:	Federal
Measures:	Customs Law (Ley Aduanera), Title II, Chapters I and III, and Title VII, Chapter I Foreign Investment Law (Ley de Inversión Extranjera), Title I, Chapter II
Description:	Investment and Cross-Border Services Only a Mexican national by birth may be a custom broker. Only custom brokers acting as consignees or legal representatives (“mandatarios”) of an importer or exporter, as well as custom broker’s assignees, may carry out the formalities related to the custom clearance of the goods of such importer or exporter. Investors of the other Party or their investments may not participate, directly or indirectly, in a custom broker’s agency.

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25. Sector:	Professional, Technical and Specialized Services
Sub-Sector: Industry Classification:	Specialized Services (Commercial Notary Public)
Obligations Concerned:	National Treatment (Articles 9.4 and 10.3) Local Presence (Article 10.6)
Level of Government:	Federal
Measures:	Commercial Notary Public Federal Law (Ley Federal de Correduría Pública), Articles 7, 8, 12 and 15 Regulations to the Commercial Notary Public Federal Law (Reglamento de la Ley Federal de Correduría Pública), Chapter I, and Chapter II, Sections I and II Foreign Investment Law (Ley de Inversión Extranjera), Title I, Chapter II
Description:	Investment and Cross-Border Services Only a Mexican national by birth may be licensed to be a commercial notary public (“corredor público”). A commercial notary public may not have a business affiliation with any person for the provision of commercial notary public services. A commercial notary public shall establish an office in the place where he has been authorized to practice. Only Mexican nationals and Mexican enterprises with foreigners’ exclusion clause may obtain such a license. Foreign investment may not participate in the activities and companies referred, directly or through trusts, agreements, social pacts or statutory, pyramiding schemes, or other mechanism that gives them some control or participation.

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26. Sector:	Professional, Technical and Specialized Services
Sub-Sector:	Professional Services
Industry Classification:	CMAP 951002 Legal Services (including foreign legal consultancy)
Obligations Concerned:	National Treatment (Articles 9.4 and 10.3) Most-Favored-Nation Treatment (Articles 9.5 and 10.4)
Level of Government:	Federal
Measures:	Regulatory Law of the Constitutional Article 5 relating to the Practice of the Professions in the Federal District (Ley Reglamentaria del Artículo 5° Constitucional, relativo al Ejercicio de las Profesiones en el Distrito Federal), Chapter III, Section III, and Chapter V Foreign Investment Law (Ley de Inversión Extranjera), Title I, Chapter III
Description:	Cross-Border Services and Investment Favorable resolution from the National Commission on Foreign Investment (Comisión Nacional de Inversiones Extranjeras, CNIE) is required for investors of the other Party or their investments to own, directly or indirectly, more than 49 percent of the ownership interest in an enterprise established or to be established in the territory of Mexico that provides legal services. In the absence of an international treaty on the matter, the professional practice by foreigners will be subject to reciprocity in the place of residence of the applicant and to compliance with the rest of the requirements established in the Mexican laws and regulations. Except as provided for in this Reservation, only lawyers licensed in Mexico may have an ownership interest in a law firm established in the territory of Mexico.

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Lawyers licensed to practice in the other Party will be permitted to form partnership with lawyers licensed in Mexico.

The number of lawyers licensed to practice in the other Party serving as partners in a firm in Mexico may not exceed the number of lawyers licensed in Mexico serving as partners of that company. Lawyers licensed to practice in the other Party may practice and provide legal consultations on Mexican law, whenever they comply with the requirements for the exercise of the profession of lawyer in Mexico.

A law firm established by partnership of lawyers licensed to practice in the other Party and lawyers licensed to practice in Mexico may hire lawyers licensed in Mexico as employees.

For greater certainty, this reservation does not apply to the provision, on a temporary fly-in, fly-out basis and/or through the use of web based and/or telecommunications technology, of legal advisory services in foreign law and international law and, in relation to foreign and international law only, legal arbitration and conciliation/mediation services by foreign lawyers.

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27. Sector:	Professional, Technical and Specialized Services
Sub-Sector:	Professional Services
Industry Classification:	CMAP 9510 Provision of Professional, Technical and Specialized Services (limited to professional services)
Obligations Concerned:	National Treatment (Article 10.3) Most-Favored-Nation Treatment (Article 10.4)
Level of Government:	Federal
Measures:	Regulatory Law of the Constitutional Article 5 relating to the Practice of the Professions in the Federal District (Ley reglamentaria del Artículo 5° Constitucional, relativo al Ejercicio de las Profesiones en el Distrito Federal), Chapter III, Section III, and Chapter V Regulations to the Regulatory Law of the Constitutional Article 5 relating to the Practice of the Professions in the Federal District (Reglamento de la Ley Reglamentaria del Artículo 5° Constitucional, relativo al Ejercicio de las Profesiones en el Distrito Federal), Chapter III Population General Law (Ley General de Población), Chapter III
Description:	Cross-Border Services Pursuant to the relevant international treaties of which Mexico is a Party, foreigners may practice in the Federal District the professions set forth in the Regulatory Law of the Constitutional Article 5 related to the Practice of the Professions in the Federal District. In the absence of an international treaty on the matter, the professional practice by foreigners will be subject to reciprocity in the place of residence of the applicant and to compliance with the rest of the requirements established in the Mexican laws and regulations.

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28. Sector:	Religious Services
Sub-Sector:	
Industry Classification:	CMAP 929001 Services of Religious Organizations
Obligations Concerned:	Senior Management and Boards of Directors (Article 9.10) Local Presence (Article 10.6)
Level of Government:	Federal
Measures:	Religious Associations and Public Worship Law (Ley de Asociaciones Religiosas y Culto Público), Title II, Chapters I and II
Description:	Investment Representatives of religious associations in Mexico must be Mexican nationals. Cross-Border Services Religious associations must be associations constituted in accordance with the Religious Associations and Public Worship Law (Ley de Asociaciones Religiosas y Culto Público). Religious associations must register before the Ministry of Internal Affairs (Secretaría de Gobernación, SEGOB). To be registered, the religious associations must be established in Mexico.

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29. Sector:	Services to Agriculture
Sub-Sector:	
Industry Classification:	CMAP 971010 Provision of Agricultural Services
Obligations Concerned:	National Treatment (Article 10.3) Local Presence (Article 10.6)
Level of Government:	Federal
Measures:	United Mexican States Political Constitution (Constitución Política de los Estados Unidos Mexicanos), Article 32 Plant Health Federal Law (Ley Federal de Sanidad Vegetal), Title II, Chapter IV Regulations to the Phytosanitary Law of the United Mexican States (Reglamento de la Ley de Sanidad Fitopecuaria de los Estados Unidos Mexicanos), Chapter VII
Description:	Cross-Border Services A concession granted by the Ministry of Agriculture, Livestock, Rural Development, Fishing and Food (Secretaría de Agricultura, Ganadería, Desarrollo Rural, Pesca y Alimentación) is required to spray pesticides. Only Mexican nationals or Mexican enterprises may obtain such a concession.

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30. Sector:	Transportation
Sub-Sector:	Air Transportation
Industry Classification:	CMAP 384205 Manufacture, Assembly and Repair of Aircraft (limited to repair of aircrafts)
Obligations Concerned:	Local Presence (Article 10.6)
Level of Government:	Federal
Measures:	Civil Aviation Law (Ley de Aviación Civil), Chapter III, Section II Civil Aviation Regulations (Reglamento de la Ley de Aviación Civil), Chapter VII
Description:	Cross-Border Services A permit issued by the Ministry of Communications and Transportation (SCT) is required to establish and operate, or operate and exploit an aircraft repair facility, and centers for teaching and training of personnel. To obtain such permission the interested must prove that the aircraft repair facilities and centers for teaching and training of personnel have their domicile in Mexico.

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31. Sector:	Transportation
Sub-Sector:	Air Transportation
Industry Classification:	CMAP 973302 Airport and Heliport Management Services
Obligations Concerned:	National Treatment (Article 9.4) Local Presence (Article 10.6)
Level of Government:	Federal
Measures:	United Mexican States Political Constitution (Constitución Política de los Estados Unidos Mexicanos), Article 32 General Means of Communication Law (Ley de Vías Generales de Comunicación), Book I, Chapters I,II and III Foreign Investment Law (Ley de Inversión Extranjera), Title I, Chapter III Civil Aviation Law (Ley de Aviación Civil), Chapters I and IV Airports Law (Ley de Aeropuertos), Chapter III Regulations to the Airports Law (Reglamento de la Ley de Aeropuertos), Title II, Chapters I, II and III
Description:	Cross-Border Services and Investment A concession granted by the Ministry of Communications and Transportation Secretaría de Comunicaciones y Transportes (SCT) is required to construct and operate, or operate, airports and heliports. Only Mexican enterprises may obtain such a Concession. Favorable resolution from the National Commission on Foreign Investment (Comisión Nacional de Inversiones Extranjeras, CNIE) is required for investors of the other Party or their investments to own, directly or indirectly, more than 49 percent of the ownership interest in an enterprise

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established or to be established in the territory of Mexico that is a concessionaire or permissionaire of airfields for public service.

When resolving, the CNIE will consider that the national and technological development be favored, and that the sovereign integrity of the nation be protected.

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32. Sector:	Transportation
Sub-Sector:	Air Transportation
Industry Classification:	CMAP 713001 Scheduled Air Transport Services on Domestically Registered Aircraft CMAP 713002 Non-Scheduled Air Transport (Air Taxis)
Obligations Concerned:	National Treatment (Article 9.4) Senior Management and Boards of Directors (Article 9.10)
Level of Government:	Federal
Measures:	Civil Aviation Law (Ley de Aviación Civil), Chapters IX and X Regulations to the Civil Aviation Law(Reglamento de la Ley de Aviación Civil), Title II, Chapter I Foreign Investment Law (Ley de Inversión Extranjera), Title I, Chapter III As qualified by the Description Element
Description:	Investment Investors of another Party or their investments may only own, directly or indirectly, up to 25 percent of the voting interests in an enterprise established or to be established in the territory of Mexico that provides commercial air services on Mexican-registered aircrafts. The chairman and at least two-thirds of the boards of directors and two-thirds of the managing officers of such an enterprise must be Mexican nationals. Only Mexican nationals and Mexican enterprises in which 75 percent of the voting interest is owned or controlled by Mexican nationals and of which the chairman and at least two-thirds of the managing officers are Mexican nationals, may register an aircraft in Mexico.

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33. Sector:	Transportation
Sub-Sector:	Specialty Air Services
Industry Classification:	
Obligations Concerned:	National Treatment (Article 9.4) Senior Management and Boards of Directors (Article 9.10) Local Presence (Article 10.6)
Level of Government:	Federal
Measures:	General Means of Communications Law (Ley de Vías Generales de Comunicación), Book I, Chapter III Foreign Investment Law (Ley de Inversión Extranjera), Title I, Chapter III Civil Aviation Law (Ley de Aviación Civil), Chapters I, II, IV and IX As qualified by the Description Element
Description:	Investment Investors of another Party or their investments may only own, directly or indirectly, up to 25 percent of the voting interests in an enterprise established or to be established in the territory of Mexico that provides specialty air services using Mexican-registered aircrafts. The chairman and at least two-thirds of the board of directors and two-thirds of the managing officers of such an enterprise must be Mexican nationals. Only Mexican nationals and Mexican enterprises in which 75 percent of the voting interests is owned or controlled by Mexican nationals and of which the chairman and at least two-thirds of the managing officers are Mexican nationals may register an aircraft in Mexico. Cross-Border Services

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A permit issued by the Ministry of Communications and Transportation (Secretaría de Comunicaciones y Transportes, SCT) is required to provide all specialty air services in the territory of Mexico. Such a permit may only be granted when the person interested in the supply of these services has an address in the Territory of Mexico.

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34. Sector:	Transportation
Sub-Sector:	Water Transportation
Industry Classification:	CMAP 973203 Maritime Port Administration, Lake and Rivers
Obligations Concerned:	National Treatment (Article 9.4)
Level of Government:	Federal
Measures:	Ports Law (Ley de Puertos), Chapters IV and V Regulations to the Ports Law (Reglamento de la Ley de Puertos) Title I, Chapters I and VI Foreign Investment Law (Ley de Inversión Extranjera), Title I, Chapter III
Description:	Investment Investors of another Party or their investments may only own, directly or indirectly, up to 49 percent of the ownership interest of a Mexican enterprise authorized to act as an integral port administrator.

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35. Sector:	Transportation
Sub-Sector:	Water Transportation
Industry Classification:	CMAP 384201 Manufacture and Repair of Vessels
Obligations Concerned:	National Treatment (Article 10.3) Local Presence (Article 10.6)
Level of Government:	Federal
Measures:	United Mexican States Political Constitution (Constitución Política de los Estados Unidos Mexicanos), Article 32 General Means of Communication Law (Ley de Vías Generales de Comunicación), Book I, Chapters I, II and III Commercial and Navigation Maritimes Law (Ley de Navegación y Comercio Marítimos), Title I, Chapter II Ports Law (Ley de Puertos), Chapter IV
Description:	Cross-Border Services A concession granted by the Ministry of Communications and Transportation Secretaría de Comunicaciones y Transportes, (SCT) is required to establish and operate, or operate, a shipyard. Only Mexican nationals and Mexican enterprises may obtain such a concession.

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36. Sector:	Transportation
Sub-Sector:	Water Transportation
Industry Classification:	CMAP 973201 Water Transport Loading and Unloading Services (includes operation and maintenance of docks; loading and unloading of vessels at shore-side; marine cargo handling; operation and maintenance of piers; ship and boat cleaning; stevedoring; transfer of cargo between ships and trucks, trains, pipelines and wharves; waterfront terminal operations)
Obligations Concerned:	National Treatment (Articles 9.4 and 10.3) Local Presence (Article 10.6)
Level of Government:	Federal
Measures:	United Mexican States Political Constitution (Constitución Política de los Estados Unidos Mexicanos), Article 32 Commercial and Navigation Maritimes Law (Ley de Navegación y Comercio Marítimos), Title I, Chapter II, and Title II, Chapters IV and V Ports Law (Ley de Puertos), Chapters II, IV and VI General Means of Communication Law (Ley de Vías Generales de Comunicación), Book I, Chapters I, II and III Regulations to the Use and Enjoyment of the Territorial Sea, Water Ways, Beaches, Relevant Federal Coastal Zone and Lands Gained to the Sea (Reglamento para el Uso y Aprovechamiento del Mar Territorial, Vías Navegables, Playas, Zona Federal Marítimo Terrestre y Terrenos Ganados al Mar), Chapter II, Section II As qualified by the Description element

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Description: Investment and Cross-Border Services

Favorable resolution from the National Commission on Foreign Investment (Comisión Nacional de Inversiones Extranjeras, CNIE) is required for investors of another Party or their investments to own, directly or indirectly, more than 49 percent of the ownership interest in an enterprise, established or to be established in the territory of Mexico providing port services to vessels for inland navigation such as towing, mooring and tendering.

Cross-Border Services

A concession granted by the Ministry of Communications and Transportation (Secretaría de Comunicaciones y Transportes, SCT) is required to construct and operate, or operate, maritime and inland port terminals, including docks, cranes and related facilities. Only Mexican nationals and Mexican enterprises may obtain such a concession.

A permit issued by the SCT is required to provide stevedoring and warehousing services. Only Mexican nationals and Mexican enterprises may obtain such a permit.

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37. Sector:	Transportation
Sub-Sector:	Water Transportation
Industry Classification:	CMAP 973203 Maritime and Inland (Lake and Rivers Ports Administration)
Obligations Concerned:	National Treatment (Article 9.4)
Level of Government:	Federal
Measures:	Commercial and Navigation Maritimes Law (Ley de Navegación y Comercio Marítimos), Title III, Chapter III Foreign Investment Law (Ley de Inversión Extranjera), Title I, Chapter III Ports Law (Ley de Puertos), Chapters IV and VI
Description:	Investment Investors of another Party or their investments may only participate, directly or indirectly, up to 49 percent in Mexican enterprises engaged in the supply of piloting port services to vessels operating in inland navigation.

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38. Sector:	Transportation
Sub-Sector:	Water Transportation
Industry Classification:	CMAP 712011 International Maritime Transportation Services CMAP 712012 Cabotage Maritime Services CMAP 712013 International and Cabotage Towing Services CMAP 712021 River and Lake Transportation Services CMAP 712022 Internal Port Water Transportation Services
Obligations Concerned:	National Treatment Articles 9.4 and 10.3) Most-Favored-Nation Treatment (Articles 9.5 and 10.4)
Level of Government:	Federal
Measures:	Commercial and Navigation Maritimes Law (Ley de Navegación y Comercio Marítimos), Title III, Chapter I Foreign Investment Law (Ley de Inversión Extranjera), Title I, Chapter III Economic Competition Federal Law (Ley Federal de Competencia Económica), Chapter IV <u>As qualified by the Description element</u>
Description:	Cross-Border Services and Investment The operation or exploitation of high-seas navigation vessels, including transport and international towing services is open to ship-owners and vessels of all countries, on the basis of reciprocity according to international treaties. With the previous opinion of the Federal Competition Commission (Comisión Federal de Competencia, CFC), the Ministry of Communications and Transportation (Secretaría de

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Comunicaciones y Transportes, SCT) may reserve, totally or partially, certain international high-seas freight transportation services, which could only be carried out by Mexican shipping enterprises with Mexican-flagged vessels or vessels reputed as such when the principles of free competition are not respected or the national economy is affected. For greater certainty the previous sentence does not apply to Canada.

The operation and exploitation of cabotage and inland navigation is reserved for Mexican shipowners with Mexican vessels. When Mexican vessels are not appropriate and available with the same technical conditions, or it is required by the public interest, the SCT may provide temporary navigation permits to operate and exploit with foreign vessels by Mexican ship-owners in accordance with the following priorities:

1. Mexican ship-owner with a foreign vessel under a bareboat charter party; and
2. Mexican ship-owner with a foreign vessel under any type of charter party.

The operation and exploitation in inland navigation and cabotage of tourist cruises as well as dredges dredges and maritime devices for the construction, preservation and operation of ports may be carried out by Mexican or foreign shipping enterprises using Mexican or foreign vessels or maritime devices, under the condition of the existence of reciprocity with such Party, endeavoring to give priority to Mexican enterprises and complying with applicable laws.

Prior opinion of the CFC, the SCT may resolve that total or partially certain cabotage or high-seas traffic could only be carried by Mexican shipping enterprises with Mexican vessels or reputed as such in the absence of conditions of effective competition on the relevant market as per the terms of the Economic Competition Federal Law.

Investors of another Party or their investments may only own, directly or indirectly, up to 49 percent of the ownership interest in a Mexican shipping enterprise or Mexican vessels, established or to be established in the territory of Mexico, which is engaged in the commercial exploitation of vessels for inland and coastal navigation, excluding tourism cruises

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and exploitation of dredges and maritime devices for the construction, preservation and operation of ports.

Favorable resolution from the National Commission of Foreign Investments (Comisión Nacional de Inversiones Extranjeras, CNIE) is required for investors of another Party or their investments to own, directly or indirectly, more than 49 percent of the ownership interest in an enterprise established or to be established in the territory of Mexico engaged in high-seas navigation services and port towing services.

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39. Sector:	Transportation
Sub-Sector:	Non-Energy Pipelines
Industry Classification:	
Obligations Concerned:	National Treatment (Article 10.3) Local Presence (Article 10.6)
Level of Government:	Federal
Measures:	United Mexican States Political Constitution (Constitución Política de los Estados Unidos Mexicanos), Article 32 General Means of Communication Law (Ley de Vías Generales de Comunicación), Book I, Chapters I, II and III National Waters Federal Law (Ley de Aguas Nacionales), Title I, Chapter II, and Title IV, Chapter II
Description:	Cross-Border Services A concession granted by the Ministry of Communications and Transportation (Secretaría de Comunicaciones y Transportes, SCT) is required to construct and operate, or operate, pipelines carrying goods other than energy or basic petrochemicals. Only Mexican nationals and Mexican enterprises may obtain such a concession.

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40. Sector:	Transportation
Sub-Sector:	Railway Transportation Services
Industry Classification:	CMAP 711101 Railway Transport Services
Obligations Concerned:	National Treatment (Articles 9.4 and 10.3) Local Presence (Article 10.6)
Level of Government:	Federal
Measures:	Foreign Investment Law (Ley de Inversión Extranjera), Title I, Chapter III Regulatory Law of the Railway Service Chapters I and II, Section III Regulations to the Railway Service, Title I, Chapters I, II and III, Title II, Chapters I and IV, and Title III, Chapter I, Sections I and II
Description:	Cross-Border Services and Investment Favorable resolution from the National Commission of Foreign Investment (Comisión Nacional de Inversiones Extranjeras, CNIE) is required for investors of another Party or their investments to participate, directly or indirectly, in more than 49 percent of the ownership interest of an enterprise established or to be established in the territory of Mexico engaged in the construction, operation and exploitation of railroads deemed general means of communication, or in the supply of railway transportation public service. When resolving, the CNIE will consider that the national and technological development be favored, and that the sovereign integrity of the nation be protected. A concession granted by the Ministry of Communications and Transportation (Secretaría de Comunicaciones y Transportes,

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SCT) is required to construct, operate and exploit railway transportation services and to provide railway transportation public service. Only Mexican enterprises may obtain such a concession.

A permit issued by SCT is required to provide auxiliary services; the construction of entry and exit facilities, crossings and marginal facilities in the right of way; the installation of advertisements and publicity signs in the right of way; and the construction and operation of bridges over railway lines. Only Mexican nationals and Mexican enterprises may obtain such a permit.

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41. Sector:	Transportation
Sub-Sector:	Land Transportation
Industry Classification:	CMAP 973101 Management Services of Passenger Bus Terminals and Auxiliary Services (limited to main bus and truck terminals and bus and truck stations)
Obligations Concerned:	National Treatment (Article 10.3) Local Presence (Article 10.6) Most-Favored-Nation Treatment (Article 10.4)
Level of Government:	Federal
Measures:	Roads, Bridges and Federal Road Transport Law (Ley de Caminos, Puentes y Autotransporte Federal), Title I, Chapter III Regulations to the Enjoyment of the Right of Way of the Federal Roads and Surrounding Zones (Reglamento para el Aprovechamiento del Derecho de Vía de las Carreteras Federales y Zonas Aledañas), Chapters II and IV Regulations to the Federal Road Transport and Auxiliary Services (Reglamento de Autotransporte Federal y Servicios Auxiliares), Chapter I
Description:	Cross-Border Services A permit issued by the Ministry of Communications and Transportation (Secretaría de Comunicaciones y Transportes, SCT) is required to establish, or operate, a bus or truck station or terminal. Only Mexican nationals and Mexican enterprises may obtain such a permit. To obtain such permit the interested must prove that they have their domicile in Mexico.

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42. Sector:	Transportation
Sub-Sector:	Land Transportation
Industry Classification:	CMAP 973102 Management Services of Roads, Bridges and Auxiliary Services
Obligations Concerned:	National Treatment (Article 10.3) Local Presence (Article 10.6)
Level of Government:	Federal
Measures:	United Mexican States Political Constitution (Constitución Política de los Estados Unidos Mexicanos), Article 32 Roads, Bridges and Federal Road Transport Law (Ley de Caminos, Puentes y Autotransporte Federal), Title I, Chapter III Regulations to the Federal Road Transport and Auxiliary Services (Reglamento de Autotransporte Federal y Servicios Auxiliares), Chapters I and V.
Description:	Cross-Border Services A permit granted by the Ministry of Communications and Transportation (Secretaría de Comunicaciones y Transportes, SCT) is required to provide auxiliary services to federal road transportation. Only Mexican nationals and Mexican enterprises may obtain such a permit. For greater certainty, auxiliary services are not part of federal road transportation of passengers, tourism or cargo, but they complement their operation and exploitation.

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43. Sector:	Transportation
Sub-Sector:	Land Transportation
Industry Classification:	CMAP 711201 Construction Materials Transport Services CMAP 711202 Moving Services CMAP 711203 Other Specialized Freight Transport Services CMAP 711204 General Freight Transport Services CMAP 711311 Long-Distance Passenger Bus and Coach Transport Services CMAP 711318 School and Tourist Transport Services (limited to tourist transport services) CMAP 720002 Courier services
Obligations Concerned:	National Treatment (Articles 9.4 and 10.3) Local Presence (Article 10.6)
Level of Government:	Federal
Measures:	Foreign Investment Law (Ley de Inversión Extranjera), Title I, Chapter II Roads, Bridges and Federal Road Transport Law (Ley de Caminos, Puentes y Autotransporte Federal), Title I, Chapter I and III Regulations to the Federal Road Transport and Auxiliary Services (Reglamento de Autotransporte Federal y Servicios Auxiliares), Chapter I As qualified by the Description element
Description:	Investment Investors of another Party or their investments may not own, directly or indirectly, an ownership interest in an enterprise established or to be established in the territory of Mexico,

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engaged in transportation services of domestic cargo between points in the territory of Mexico, except for parcel and courier services.

Cross-Border Services

A permit issued by the Ministry of Communications and Transportation (Secretaría de Comunicaciones y Transportes, SCT) is required to provide inter-city bus services, tourist transportation services or truck services for the transportation of goods or passengers to or from the territory of Mexico.

Only Mexican nationals and Mexican enterprises with a foreigners' exclusion clause, using Mexican registered equipment that is Mexican-built or legally imported, and drivers who are Mexican nationals, may provide bus or truck services for transportation of goods or passengers between points in the territory of Mexico.

A permit issued by the SCT is required to provide parcel and courier services. Only Mexican nationals and Mexican enterprises may provide such services.

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44. Sector:	Transportation
Sub-Sector:	Railway Transportation Services
Industry Classification:	CMAP 711101 Transport Services Via Railway (limited to railway crew)
Obligations Concerned:	National Treatment (Article 10.3)
Level of Government:	Federal
Measures:	Federal Labor Law (Ley Federal del Trabajo), Title VI, Chapter V
Description:	Cross-Border Services Railway crew members must be Mexican nationals.

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45. Sector:	Transportation
Sub-Sector:	Land Transportation
Industry Classification:	CMAP 711312 Urban and Suburban Passenger Bus and Coach Transport Services CMAP 711315 Motor Vehicle Taxi Transport Services CMAP 711316 Motor Vehicle Fixed Route Transport Services CMAP 711317 Transport Services in Motor Vehicles from Taxi-Ranks CMAP 711318 School and Tourist Transport Services (limited to school transport services)
Obligations Concerned:	National Treatment (Articles 9.4 and 10.3)
Level of Government:	Federal
Measures:	Foreign Investment Law (Ley de Inversión Extranjera), Title I, Chapter II General Means of Communication Law (Ley de Vías Generales de Comunicación), Book I, Chapters I and II Roads, Bridges and Federal Road Transport Law (Ley de Caminos, Puentes y Autotransporte Federal), Title I, Chapter III Regulations to the Federal Road Transport and Auxiliary Services (Reglamento de Autotransporte Federal y Servicios Auxiliares), Chapter I
Description:	Investment and Cross-Border Services Only Mexican nationals and Mexican enterprises with a foreigners' exclusion clause may provide local urban and suburban passenger bus services, school bus services and taxi and other collective transportation services.

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46. Sector:	Communications
Sub-Sector:	Entertainment Services (Cinema)
Industry Classification:	CMAP 941103 Private Exhibition of Films
Obligations Concerned:	National Treatment (Article 10.3) Most-Favored-Nation Treatment (Articles 9.5 and 10.4)
Level of Government:	Federal
Measures:	Federal Cinematography Law, Chapter III Regulations to the Federal Cinematography Law, Chapter V
Description:	Cross-Border Services and Investment Exhibitors shall reserve ten percent of the total screen time to the projection of national films.

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47. Sector:	All sectors
Sub-Sector:	All sectors
Industry Classification:	
Obligations Concerned:	National Treatment (Articles 9.4 and 10.3) Most-Favored-Nation Treatment (Articles 9.5 and 10.4) Local Presence (Article 10. 6) Performance Requirements (Article 9.9) Senior Management and Boards of Directors (Article 9.10)
Level of Government:	Regional
Measures:	All existing non-conforming measures of all states of the United Mexican States
Description:	Cross-Border Services and Investment