

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

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Trade Negotiations Committee

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COMMUNICATION FROM NEW ZEALAND

Draft Schedule of New Zealand Concerning
Initial Commitments on Trade in Services

The following communication is circulated at the request of New Zealand to the members of the Group of Negotiations on Services.

The New Zealand Government attaches great importance to the successful and early conclusion of a comprehensive General Agreement on Trade in Services (GATS) and the simultaneous entry into force of meaningful specific initial commitments by Member countries.

New Zealand is prepared to make initial commitments under the GATS as indicated in the attached revised draft schedule prepared in accordance with the Secretariat paper entitled "Scheduling of Initial Commitments on Trade in Services: Explanatory Note" (MTN.GNS/W/164 of 3 September 1993).

The classification of sectors in this draft schedule is based on the 1991 provisional Central Product Classification (CPC) of the United Nations Statistical Office, while the ordering reflects the classification system used by the Secretariat in MTN.GNS/W/120. In the context of CPC listings in the draft schedule the use of ** against individual CPC listings indicates that the service specific constitutes only part of the total range of activities covered by the CPC concordance.

New Zealand reserves the right to review proposed commitments in the offer on telecommunications services in the context of any prolongation of negotiations in the telecommunications sector.

The form and content of the offer in financial services remain under consideration.

This draft schedule is conditional. New Zealand reserves the right to modify, extend or reduce this offer at any time prior to the closure of the Services negotiations, depending, inter alia, on the number of offers by other parties; on the degree to which those offers are equivalent and mutually acceptable; on the extent and significance of exemptions from the Most Favoured Nation (MFN) discipline contained in Article II:1 of the draft GATS sought by other parties under the Annex on Article II Exemptions to the draft GATS; and on satisfactory outcomes in ongoing negotiations in respect of outstanding issues relating to the finalization of the text of the GATS, and in other areas of the Uruguay Round of interest to New Zealand. New Zealand further reserves the right to make technical changes and to correct errors, omissions or inaccuracies.

NEW ZEALAND
DRAFT SCHEDULE OF COMMITMENTS

- (Modes of Supply)
- (1) Cross border supply
 - (2) Consumption abroad
 - (3) Presence of Juridical Persons
 - (4) Presence of Natural Persons

SECTOR

LIMITATIONS ON MARKET ACCESS

LIMITATIONS ON NATIONAL TREATMENT

HORIZONTAL COMMITMENTS APPLICABLE
TO SECTORS LISTED IN THE SECTORAL
PART OF THE SCHEDULE

Overseas investment

(3) Under the Overseas Investment Regulations, 1985, issued under the Overseas Investment Act 1973, Overseas Investment Commission approval is required for the following investments by an "overseas person":

a) acquisition or control of 25 percent or more of the shares or voting power in a company where either the consideration of transfer or the value of the assets of the company exceeds \$NZ10 million;

b) the establishment of new business in New Zealand where the total expenditure in setting up the business exceeds \$NZ10 million;

c) the acquisition of the assets of the business where the total consideration paid or payable for the assets exceeds \$NZ10 million;

See Attachment A.1 and B.1

LIMITATIONS ON NATIONAL TREATMENT

LIMITATIONS ON MARKET ACCESS

SECTOR

HORIZONTAL MEASURES AFFECTING ALL
SECTORS (Bound with respect to
sectors contained in this schedule)

Overseas investment (continued)

d) the issue or allotment of shares where the 25 percent threshold has already been exceeded or will be exceeded as a result of the issue and where the total consideration paid or payable exceeds \$NZ10 million.

OIC consent is required, regardless of the dollar value of the investment, for acquisition of rural land. Approval is also required under the Land Settlement Promotion and Land Acquisition Act for the purchase of some classes of land.

Unbound for enterprises currently in state ownership

LIMITATIONS ON MARKET ACCESS

LIMITATIONS ON NATIONAL TREATMENT

SECTOR

HORIZONTAL MEASURES AFFECTING ALL
SECTORS (Bound with respect to
sectors contained in this schedule)

Movement of Natural Persons
Providing Services

(4) Unbound except for the following: With respect to the following natural persons of a Party to the GATS, employed by a service provider of a Party to the GATS that provides services within New Zealand (through a branch, subsidiary or affiliate established in New Zealand) in the sectors specified in this Schedule;

A. New Zealand will permit, without requiring compliance with labour market tests, the temporary entry, as intra-corporate transferees, of natural persons in the following category, for periods of initial stay up to a maximum of three years:

Executives and senior managers, defined as senior employees of an organisation, who have been employed by that organisation for at least twelve months prior to their proposed transfer to New Zealand, who are responsible for the entire or a substantial part of an organisation's operations in New Zealand, receiving general supervision or direction principally from higher level executives, the board of directors or stockholders of the business;

SECTOR

LIMITATIONS ON MARKET ACCESS

LIMITATIONS ON NATIONAL TREATMENT

HORIZONTAL MEASURES AFFECTING ALL SECTORS (Bound with respect to sectors contained in this schedule - continued)

Movement of Natural Persons Providing Services (continued)

B. New Zealand will permit, without requiring compliance with labour market tests, the temporary entry, as intra-corporate transferees, of natural persons in the following category, for periods of an initial stay up to a maximum of twelve months:

Specialist and/or senior personnel, being transferred to undertake a specific or specialist task at a senior level within the company; this may include, for example, short-term specialist development projects; or the establishment in New Zealand of a commercial presence of a service provider with its head of operations in the territory of another Party and not having any other representative, branch or subsidiary in New Zealand;

C. New Zealand will permit, subject to labour market tests, the temporary entry, as intra-corporate transferees, of natural persons in the following category, for periods of stay up to a maximum of three years:

Specialist personnel, with trade, technical or professional skills who are responsible for or employed in a particular aspect of an organisation's operations in New Zealand. Skills are assessed in terms of the applicant's employment experience, qualifications, and suitability for the position;

LIMITATIONS ON MARKET ACCESS

LIMITATIONS ON NATIONAL TREATMENT

SECTOR

HORIZONTAL MEASURES AFFECTING ALL SECTORS (Bound with respect to sectors contained in this schedule -- continued)

Movement of Natural Persons Providing Services (continued)

D. New Zealand will permit, without requiring compliance with labour market tests, the temporary entry, as intra-corporate transferees, of natural persons in the following category, for periods not exceeding three months in any twelve month period:

Installers and servicers of machinery and/or equipment, where such installation and/or servicing by the supplying company is a condition of purchase of the said machinery or equipment.

E. New Zealand will permit the temporary entry, as business visitors, without requiring compliance with labour market tests, of natural persons in the following category, for a period or periods not exceeding in aggregate three months in any calendar year:

Service sellers, being representatives of business carrying on activities in a party seeking temporary entry to New Zealand for the purpose of negotiating for the sale of services, or entering into agreements to sell services for that business, where those representatives will not be engaged in making direct sales to the general public.

LIMITATIONS ON MARKET ACCESS

LIMITATIONS ON NATIONAL TREATMENT

SECTOR

HORIZONTAL MEASURES AFFECTING ALL SECTORS (Bound with respect to sectors contained in this schedule - continued)

Movement of Natural Persons Providing Services (continued) Notes

1. Temporary entry means entry without intent to establish permanent residence under immigration laws and confers no rights with respect to residence or citizenship. Temporary entry implies that in each case the appropriate prior authority will have been applied for and obtained before departure for New Zealand. Service providers, and personnel entering New Zealand under the terms and conditions of the GATS, including the Annex governing such temporary movement, shall observe all the laws and regulations related to immigration, and to employment and to the conduct of business in New Zealand, including laws and regulations relating to conditions of work, and occupational safety and health, with respect to such persons. The legal entity employing such persons shall, upon request, co-operate with the New Zealand authorities charged with the enforcement of these measures.

2. Commitments regarding the movement of personnel do not apply in cases of labour/management disputes.

SECTOR	LIMITATIONS ON MARKET ACCESS	LIMITATIONS ON NATIONAL TREATMENT
1. BUSINESS SERVICES		
A. <u>Professional Services</u>		
a Legal services		
Practice of New Zealand law (861)	(1) None (2) None (3) None (4) Unbound except as indicated in the horizontal section	(1) None (2) None (3) None (4) None
Provision of advice on international law (861)	(1) None (2) None (3) None (4) Unbound except as indicated in the horizontal section	(1) None (2) None (3) None (4) None

SECTOR	LIMITATIONS ON MARKET ACCESS	LIMITATIONS ON NATIONAL TREATMENT
b Accounting, auditing and book-keeping services (862)	(1) None (2) None (3) None (4) Unbound except as indicated in the horizontal section	(1) None (2) None (3) None (4) None
c Taxation services		
Tax preparation (86302, 86303)	(1) None (2) None (3) None (4) Unbound except as indicated in the horizontal section	(1) None (2) None (3) None (4) None

SECTOR	LIMITATIONS ON MARKET ACCESS	LIMITATIONS ON NATIONAL TREATMENT
d Architectural Services (8671)	<p>(1) None</p> <p>(2) None</p> <p>(3) None</p> <p>(4) Unbound except as indicated in the horizontal section</p>	<p>(1) None</p> <p>(2) None</p> <p>(3) None</p> <p>(4) None</p>
e Engineering Services (8672)	<p>(1) None</p> <p>(2) None</p> <p>(3) None</p> <p>(4) Unbound except as indicated in the horizontal section</p>	<p>(1) and (3) Legislation relating to the certification of local body public works and many safety standards, limits certifying rights to Registered Engineers; who to become registered must ordinarily be resident in New Zealand.</p> <p>(2) None</p> <p>(4) None</p>

SECTOR	LIMITATIONS ON MARKET ACCESS	LIMITATIONS ON NATIONAL TREATMENT
i Veterinary Services (9320)	(1) Unbound* (2) None (3) None (4) Unbound except as indicated in the horizontal section	(1) Unbound* (2) None (3) None (4) None

* Unbound due to lack of technical feasibility

SECTOR	LIMITATIONS ON MARKET ACCESS	LIMITATIONS ON NATIONAL TREATMENT
B <u>Computer and Related Services</u>		
a Consultancy services related to the installation of computer hardware (841)	(1) None (2) None (3) None (4) Unbound except as indicated in the horizontal section	(1) None (2) None (3) None (4) None
b Software implementation services (842)	(1) None (2) None (3) None (4) Unbound except as indicated in the horizontal section	(1) None (2) None (3) None (4) None
c Data processing services (843)	(1) None (2) None (3) None (4) Unbound except as indicated in the horizontal section	(1) None (2) None (3) None (4) None
d Data Base services (844)	(1) None (2) None (3) None (4) Unbound except as indicated in the horizontal section	(1) None (2) None (3) None (4) None

SECTOR	LIMITATIONS ON MARKET ACCESS	LIMITATIONS ON NATIONAL TREATMENT
D <u>Real Estate Services</u>		
a Involving own or leased property (821)	(1) None (2) None (3) None (4) Unbound except as indicated in the horizontal section	(1) None (2) None (3) None (4) None
b On a fee or contract basis (822)	(1) None (2) None (3) None (4) Unbound except as indicated in the horizontal section	(1) None (2) None (3) None (4) None

SECTOR	LIMITATIONS ON MARKET ACCESS	LIMITATIONS ON NATIONAL TREATMENT
<p><u>E Rental/Leasing of Equipment without Crew.</u></p>		
<p>Transport and non-transport (8310)</p>	<p>(1) None (2) None (3) None (4) Unbound except as indicated in the horizontal section</p>	<p>(1) None (2) None (3) None (4) None</p>
<p><u>F Other Business Services</u></p>		
<p><u>a Advertising Services (871)</u></p>	<p>(1) None (2) None (3) None (4) Unbound except as indicated in the horizontal section</p>	<p>(1) None (2) None (3) None (4) None</p>

SECTOR	LIMITATIONS ON MARKET ACCESS	LIMITATIONS ON NATIONAL TREATMENT
f Services incidental to agriculture, hunting and forestry	<p>(1) None</p> <p>(2) None</p> <p>(3) None</p> <p>(4) Unbound except as indicated in the horizontal section</p>	<p>(1) None</p> <p>(2) None</p> <p>(3) None</p> <p>(4) None</p>
Services incidental to agriculture (8811)		
Services incidental to animal husbandry (8812)	<p>(1) None</p> <p>(2) None</p> <p>(3) The Herd Testing Regulations under the Dairy Board Act 1961 restrict the provision of herd testing services to providers licensed by the NZ Dairy Board.</p> <p>(4) Unbound except as indicated in the horizontal section</p>	<p>(1) None</p> <p>(2) None</p> <p>(3) None</p> <p>(4) None</p>

SECTOR	LIMITATIONS ON MARKET ACCESS	LIMITATIONS ON NATIONAL TREATMENT
Services incidental to hunting (8813)	(1) None	(1) None
	(2) None	(2) None
	(3) None	(3) None
	(4) Unbound except as indicated in the horizontal section	(4) None
Services incidental to forestry and logging (8814)	(1) None	(1) None
	(2) None	(2) None
	(3) None	(3) None
	(4) Unbound except as indicated in the horizontal section	(4) None

SECTOR	LIMITATIONS ON MARKET ACCESS	LIMITATIONS ON NATIONAL TREATMENT
o Cleaning of buildings and similar activities (874)	(1) Unbound* (2) None (3) None (4) Unbound except as indicated in the horizontal section	(1) Unbound* (2) None (3) None (4) None
t Translation services (87905**)	(1) None (2) None (3) None (4) Unbound except as indicated in the horizontal section	(1) None (2) None (3) None (4) None

* Unbound due to lack of technical feasibility

SECTOR	LIMITATIONS ON MARKET ACCESS	LIMITATIONS ON NATIONAL TREATMENT
2 COMMUNICATIONS SERVICES	<u>C.Telecommunications Services</u>	
	All Telecommunications Services*	
	(7521-7523, 7525, 7526, 7529**, 754, 843**)	<p>(1) and (3) The Telecommunications (International Services) Regulations require the registration of entities providing international telecommunications services to and from New Zealand (registered operators). As a condition of registration, each registered company is required to comply with certain terms and conditions when entering into agreements with overseas operators. These include the adoption of the same accounting rate, method and division as are applied to any other agreement which the overseas operator has with any other registered operator ("parallel accounting"); and the acceptance of traffic from the overseas operator in a similar proportion to the registered operator's share of total traffic from New Zealand to the overseas operator ("proportionate return of traffic").#.</p> <p>(2) None</p> <p>(4) Unbound except as indicated in the horizontal section</p>
		<p>(1) None</p> <p>(2) None</p> <p>(3) The Articles of Association of the Telecom Corporation of New Zealand limited limit the shareholding by any single overseas entity to 49.9 percent. At least half of Board directors are required to be New Zealand citizens.</p> <p>(4) None</p>

* See Attachment B.2

See Attachment B.3

SECTOR

LIMITATIONS ON MARKET ACCESS

LIMITATIONS ON NATIONAL TREATMENT

D: Audio-Visual Services

Production, distribution, exhibition and broadcasting of audio-visual works (9611-9613, 96192**, 7524, 753)

- (1) None
- (2) None
- (3) None

(4) The New Zealand Immigration Service policy, based on the Immigration Act 1987 and the Immigration Regulations 1991 stipulate a special procedure for the granting of visas to entertainers, performing artists and associated support personnel for work purposes. To be eligible for a work visa or work permit, such applicants must come within the policy guidelines agreed to between the Minister of Immigration, independent promoters, agents or producers and the relevant performing artists' unions.* Otherwise, unbound except as indicated in the horizontal section

(1) and (3) The Broadcasting Commission is directed by the Government, pursuant to the Broadcasting Act 1989, to allocate a minimum of 6% of its budget to Maori programming. From 1995 all public funding for Maori broadcasting will be controlled by Te Reo Whakapuaki Irirangi (Maori Broadcasting Funding Agency).

Government assistance to the film industry through the New Zealand Film Commission is limited to New Zealand films as defined in Section 18 of the New Zealand Film Commission Act 1978.#

- (2) None
- (4) None

* See Attachment B.4

See Attachment B.5

SECTOR	LIMITATIONS ON MARKET ACCESS	LIMITATIONS ON NATIONAL TREATMENT
3: CONSTRUCTION AND RELATED ENGINEERING SERVICES		
A <u>General construction work for buildings (512, 515)</u>	(1) Unbound* (2) None (3) None (4) Unbound except as indicated in the horizontal section	(1) Unbound* (2) None (3) None (4) None
B <u>General construction work for civil engineering (513)</u>	(1) Unbound* (2) None (3) None (4) Unbound except as indicated in the horizontal section	(1) Unbound* (2) None (3) None (4) None
C <u>Installation and assembly work (514, 516)</u>	(1) Unbound* (2) None (3) None (4) Unbound except as indicated in the horizontal section	(1) Unbound* (2) None (3) None (4) None

* Unbound due to lack of technical feasibility

SECTOR	LIMITATIONS ON MARKET ACCESS	LIMITATIONS ON NATIONAL TREATMENT
D <u>Building completion and finishing work</u> (517)	(1) Unbound* (2) None (3) None (4) Unbound except as indicated in the horizontal section	(1) Unbound* (2) None (3) None (4) None
E <u>Other</u>		
Site preparation: new construction (other than pipelines) (511)	(1) Unbound* (2) None (3) None (4) Unbound except as indicated in the horizontal section	(1) Unbound* (2) None (3) None (4) None
Maintenance and repair of fixed structures	(1) Unbound* (2) None (3) None (4) Unbound except as indicated in the horizontal section	(1) Unbound* (2) None (3) None (4) None

* Unbound due to lack of technical feasibility

SECTOR	LIMITATIONS ON MARKET ACCESS	LIMITATIONS ON NATIONAL TREATMENT
4 DISTRIBUTION SERVICES		
A <u>Commission Agents' Services</u> (6211, excluding 62111, 62112, and such services relating to 2613-2615)	(1) None (2) None (3) None (4) Unbound except as indicated in the horizontal section	(1) None (2) None (3) None (4) None
B <u>Wholesale trade</u> (622, excluding 6221, 6222 and such services relating to 2613-2615)	(1) None (2) None (3) None (4) Unbound except as indicated in the horizontal section	(1) None (2) None (3) None (4) None
C <u>Retail trade</u> (631, 632, 6111, 6113 and 6121)	(1) None (2) None (3) None (4) Unbound except as indicated in the horizontal section	(1) None (2) None (3) None (4) None

LIMITATIONS ON NATIONAL TREATMENT

LIMITATIONS ON MARKET ACCESS

SECTOR

5 EDUCATION SERVICES

Primary, Secondary and Tertiary education in private institutions (921, 922, 923)

- | | |
|---|---|
| <p>(1) None</p> <p>(2) None</p> <p>(3) Special arrangements exist with certain countries, in the context of student visa policy, for the admission of persons to New Zealand for study purposes.</p> <p>(4) Unbound except as indicated in the horizontal section</p> | <p>(1) None</p> <p>(2) None</p> <p>(3) Where places in public institutions on particular courses are limited, preference is given to New Zealand, aid funded and reciprocal exchange students over foreign fee paying students although public institutions may also set up specific courses for foreign students. (References: Education Act 1989, Section 4, as amended by Education Amendment Act No. 4 1991; and Section 22, as amended by Education Amendment Act 1990).</p> <p>Foreign (not aid-funded) students' fees do not attract the remission from government funds provided for domestic students.</p> <p>(4) None</p> |
|---|---|

LIMITATIONS ON NATIONAL TREATMENT

LIMITATIONS ON MARKET ACCESS

SECTOR

FINANCIAL SERVICES (continued)

Banking and other Financial Services (excluding insurance) - continued;

- ii) foreign exchange; (81333)
- iii) derivative products including, but not limited to, futures and options; (81339**)
- iv) exchange rates and interest rate instruments, including products such as swaps, forward rate agreements etc; (81339**)
- v) transferable securities; (81321)
- vi) other negotiable instruments and financial assets, including bullion. (81339**)
- g) participation in issues of all kinds of securities, including underwriting and placement as agent (whether publicly or privately) and provision of services related to such issues; (8132)
- h) money broking; (81339**)

(3- continued) Section 354 exempts private companies (that is, companies with a limited number of shareholders, generally not more than 25) from the requirement to deliver annual audited accounts to the Registrar of Companies. That exemption does not apply to private companies which are subsidiaries of overseas companies, or in which 25% or more of the shares are held by an overseas company, a subsidiary of an overseas company or a person not ordinarily resident in New Zealand.

With effect from 1 July 1994 the financial disclosure provisions of the Companies Act 1955 will be replaced by the Financial Reporting Act 1993. The Financial Reporting Act 1993 requires overseas companies to prepare financial statements on an annual basis comprising a balance sheet, a profit and loss statement and (if required by an applicable financial reporting standard approved by the Accounting Standards Review Board) a statement of cash flows.

SECTOR

LIMITATIONS ON MARKET ACCESS

LIMITATIONS ON NATIONAL TREATMENT

FINANCIAL SERVICES (continued)

Banking and other Financial Services (excluding insurance) - continued;

i) asset management, such as cash or portfolio management; all forms of collective investment management, pension fund management, custodial, depository and trust services; (8119**, 81323**)

j) settlement and clearing services for financial assets, including securities, derivative products, and other negotiable instruments; (81339**, 81319**)

k) advisory, intermediation, and other auxiliary financial services on all the activities listed in (a) to (k) above, including credit reference and analysis, investment and portfolio research and advice, advice on acquisitions and on corporate restructuring and strategy; (8131, 8133)

l) provision and transfer of financial information, and financial data processing and related software by providers of other financial services. (8131)

(3- continued) The Act also requires such financial statements in relation to an overseas company's New Zealand business.

The Act requires the following companies to deliver annual audited financial statements to the Registrar of Companies for registration:

(a) issuers (ie those which have raised investment from the public);

(b) overseas companies;

(c) subsidiaries of companies or bodies corporate incorporated outside New Zealand;

(d) companies in which 25 percent or more of the shares are held or controlled by:

(i) a subsidiary of a company or body corporate incorporated outside New Zealand or a subsidiary of that subsidiary; or

(ii) a company or body corporate incorporated outside

New Zealand; or

(iii) a person not ordinarily resident in New Zealand.

SECTOR	LIMITATIONS ON MARKET ACCESS	LIMITATIONS ON NATIONAL TREATMENT
FINANCIAL SERVICES (continued) Banking and other Financial Services (excluding insurance) - continued;		(3- continued) The Act requires financial statements to comply with financial reporting standards approved by the Accounting Standards Review Board. (4) None

SECTOR	LIMITATIONS ON MARKET ACCESS	LIMITATIONS ON NATIONAL TREATMENT
9 TOURISM AND TRAVEL-RELATED SERVICES		
A <u>Hotels and restaurants (641-643)</u>	<p>(1) None</p> <p>(2) None</p> <p>(3) None</p> <p>(4) Unbound except as indicated in the horizontal section</p>	<p>(1) None</p> <p>(2) None</p> <p>(3) None</p> <p>(4) None</p>
B/C <u>Travel agencies, tour guides and tour operator services (7471, 7472)</u>	<p>(1) None</p> <p>(2) None</p> <p>(3) None</p> <p>(4) Unbound except as indicated in the horizontal section</p>	<p>(1) None</p> <p>(2) None</p> <p>(3) None</p> <p>(4) None</p>

SECTOR	LIMITATIONS ON MARKET ACCESS	LIMITATIONS ON NATIONAL TREATMENT	ADDITIONAL COMMITMENTS
Container Station and Depot Services (as defined in Attachment A.8)	(1) Unbound*	(1) Unbound*	
	(2) None	(2) None	
	(3) None	(3) None	
	(4) Unbound except as indicated in the horizontal section	(4) None	
Maritime Agency Services (as defined in Attachment A.9)	(1) None	(1) None	See Attachment A.2
	(2) None	(2) None	
	(3) None	(3) None	
	(4) Unbound except as indicated in the horizontal section	(4) None	
Maritime Forwarding Services (as defined in Attachment A.10)	(1) None	(1) None	See Attachment A.2
	(2) None	(2) None	
	(3) None	(3) None	
	(4) Unbound except as indicated in the horizontal section	(4) None	

* Unbound due to lack of technical feasibility

SECTOR	LIMITATIONS ON MARKET ACCESS	LIMITATIONS ON NATIONAL TREATMENT
C <u>Air Transport Services</u>	Selling and marketing of air transport services [#]	(1) None (2) None
	(1)-(3) Unbound for products covered under CPC 01, 02, 211, 213-216, 22, 2399 and 261.	
	(4) Unbound except as indicated in the horizontal section	(3) None (4) None
Computer reservation system services [#] (7523**)	(1) None	(1) None
	(2) Unbound*	(2) Unbound*
	(3) None	(3) None
	(4) Unbound except as indicated in the horizontal section	(4) None
E <u>Rail transport services</u> (711)	(1) None	(1) None
	(2) None	(2) None
	(3) None	(3) None
	(4) Unbound except as indicated in the horizontal section	(4) None

[#] As respectively defined in paragraph 6(b) and (c) of the Annex on Air Transport Services.

* Unbound due to lack of technical feasibility

ATTACHMENT A

Notes to the Draft Schedule

Overseas Investment

1. An "overseas person" is defined as an individual not normally resident in New Zealand; a company not incorporated in New Zealand; a New Zealand-incorporated company in which 25 per cent or more of any class of shares or 25 per cent or more of the voting power is held by overseas persons; or a nominee of the overseas person, whether or not the nominee is himself/herself and overseas person.

Maritime Transport Services

2. Where road, rail, inland waterways and related auxiliary services are not otherwise fully covered in this schedule, a multimodal transport operator (as defined in Definition 4 below) shall have the ability to rent or lease trucks, railway carriages, or barges and related equipment, for the purpose of inland forwarding of cargoes, or have access to, and use of, these forms of multimodal activities on reasonable and non-discriminatory terms and conditions for the purpose of carrying out multimodal transport operations.

For the purposes of this schedule, "reasonable and non-discriminatory terms and conditions" means, for the purposes of multimodal transport operations, the ability of the multimodal transport operator to arrange for the conveyance of its merchandise on a timely basis, including priority over other merchandise which has entered the port at a later date.

3. Cabotage: for purposes of this schedule only, cabotage is defined as the transportation of passengers or goods between a port located in New Zealand and another port located in New Zealand and traffic originating and terminating in the same port located in New Zealand provided that this traffic remains in New Zealand territorial waters.

4. Multimodal Transport Operator: the person on whose behalf the bill of lading/multimodal transport document, or any other document evidencing a contract of multimodal carriage of goods, is issued and who is responsible for the carriage of goods pursuant to the contract of carriage.

5. Other Forms of Commercial Presence for the Supply of International Maritime Transport Service: for the purposes of this schedule, means the ability for international maritime transport service suppliers of other Members to undertake locally all activities which are necessary for the supply to their customers of a partially or fully integrated transport service, within which the maritime transport constitutes a substantial element. This commitment shall not be construed as limiting in any manner the commitments undertaken under the cross-border mode of delivery.

These activities include:

- marketing and sales of maritime transport and related services through direct contact with customers, from quotation to invoicing, these services being those operated or offered by the service supplier itself or by service suppliers with which the service seller has established standing business arrangements;

- the acquisition, on their own account or on behalf of their customers (and the resale to their customers) of any transport and related services, including inward transport services by any mode, particularly inland waterways, road and rail, necessary for the supply of the integrated service;
- the preparation of documentation concerning transport documents, customs documents, or other documents related to the origin and character of the good transported;
- the provision of business information by any means, including computerized information systems and electronic data interchange (subject to the provisions of the Annex on Telecommunications);
- the setting up of any business arrangements (including participation in the stock of a company) and the appointment of personnel recruited locally (or, in the case of foreign personnel, subject to the horizontal commitment on movement of personnel) with any locally established shipping agency;
- acting on behalf of the companies, organising the call of the ship or taking over cargoes when required.

6. Maritime Cargo Handling Services: activities exercised by stevedoring companies, including terminal operators, but not including the direct activities of dockers when this workforce is organised independently of the stevedoring or terminal operator companies. The activities include the organisation and supervision of:

- the loading/discharging of cargo to/from a ship
- the lashing/unlashing of cargo;
- the reception/delivery and safekeeping of cargoes before shipment or after discharge.

7. Customs Clearance Services: activities consisting of carrying out on behalf of another party customs formalities concerning the import, export or through transport of cargoes, whether this service is the main activity of the service provider or a usual complement of its main activity.

8. Container and Depot Services: activities consisting of storing containers, whether in port or inland, with a view to their stuffing/stripping, repairing, and making them available for shipments.

9. Maritime Agency Services: activities consisting of representing as an agent, the business interests of one or more shipping lines, for the following purposes:

- marketing and sales of maritime transport and related services, from quotation to invoicing, and issuing bills of lading on behalf of the companies; acquisition and resale for the necessary related services, preparation of documentation, and provision of business information;
- acting on behalf of the companies organising the call of a ship or taking over cargoes when required.

10. Maritime Freight Forwarding Services: the activity consisting of organising and monitoring shipment operations on behalf of shippers, through the acquisition of transport and related services, preparation of documentation and provision of business information.

ATTACHMENT B

Transparency Material

1. References in this schedule to equity figures of less than 50 per cent are included to the extent that respective measures may be relevant to service suppliers as defined under the draft General Agreement on Trade in Services.

Telecommunication Services

2. New Zealand does not distinguish between different services offerings for regulatory purposes: i.e. the same regulatory regime applies to basic and value-added services.

3. The effect of this measure is to impose a condition of supply on any entity providing international telecommunications services to and from New Zealand. This condition is applied in a non-discriminatory manner.

The New Zealand Government intends to replace the present regulations shortly. The effect of the new regulations will be to dispense with the requirement for certain uniform terms and conditions to be observed by registered persons, thus significantly liberalising the present situation. The Government will retain a reserve power to impose certain conditions, including proportionate return of traffic, where this would promote a competitive market in international telecommunications services in New Zealand and the interest of users of such services in New Zealand. The intended regulations will also remove restrictions on the resale of leased telecommunications capacity between New Zealand and those countries that allow resale to take place in the reverse direction on a broadly equivalent basis.

Audiovisual Services

4. Under these guidelines the Government seeks to balance various interests, including:

- (a) reasonable protection for the employment opportunities of New Zealanders;
- (b) encouragement of the development of the indigenous entertainment industry;
- (c) interest of the public (and the entertainment industry) in seeing what the world has to offer in entertainment and stimulation by new ideas and diversity from overseas;
- (d) attracting overseas investment and promoting New Zealand as a tourist destination;
- (e) access to employment opportunities abroad for New Zealand artists.

The applicant must also be of international distinction or merit, or of particular ethnic significance, or manifestly essential to the presentation. The applicant's employment must not jeopardise the employment of New Zealand entertainers or professionals in equivalent work unless the wider benefits to be obtained from the applicant's employment outweigh the loss of job opportunities for New Zealanders. There must be adequate evidence that appropriate consideration has been given to the employment of available New Zealand entertainers or professionals.

5. 100 per cent deduction against New Zealand income tax may be claimed for investment in the production of New Zealand films as defined by Section 18 of the New Zealand Film Commission Act 1978.