

**GENERAL AGREEMENT
ON TRADE IN SERVICES**

GATS/EL/67
15 April 1994
(94-1136)

PAKISTAN

Final List of Article II (MFN) Exemptions

(This is authentic in English only)

PAKISTAN - FINAL LIST OF ARTICLE II (MFN) EXEMPTIONS

Sector or subsector	Description of measure indicating its inconsistency with Article II	Countries to which the measure applies	Intended duration	Conditions creating the need for the exemption
Banking and other financial services	<p>Foreign service promoters are granted licenses on the basis of reciprocity</p> <p>Financial institutions set up to undertake Islamic financing transactions</p> <p>Separate banking regulations may be laid down for banks which are owned and controlled by the Federal Government or a Provincial Government engaged in financing the commodity operation programmes and other price support schemes of the Government</p> <p>Financial institutions set up as joint ventures under the framework of ECO or other protocols signed amongst the ECO member countries</p>	<p>All countries</p> <p>All countries</p> <p>All countries</p> <p>ECO member countries</p>	<p>The reciprocity requirement will remain in place until similar measures maintained by other countries in this sector are removed</p> <p>Indefinite</p> <p>Indefinite</p> <p>Indefinite</p>	<p>The reciprocity requirement is put in place to ensure that Pakistani banks are accorded equivalent market access in places outside Pakistan</p> <p>The financing transactions are determined and governed by Religious Boards set up for the purpose by each Islamic financial institution</p> <p>Commodity operation programme is an essential government function undertaken through government banks. These are non-profitable transactions of the banks. The exemption will eventually come to be restricted to the National Bank of Pakistan.</p> <p>The Treaty of Izmir and the Istanbul Summit held in July 1993 amongst others decided for the establishment of financial institutions by the governments of ECO Member States with the obligation of meeting the goals of regional economic integration</p>

PAKISTAN (continued)

Sector or subsector	Description of measure indicating its inconsistency with Article II	Countries to which the measure applies	Intended duration	Conditions creating the need for the exemption
Telecommunications	Bilateral agreements in the field of telecommunication services on reciprocity requirements	ECO member countries and Bangladesh	Indefinite	The exemption is linked to commitments arising out of bilateral agreements