

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

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Group of Negotiations on Services

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COMMUNICATION FROM PERU

**Draft Final Schedule of Peru Concerning
Initial Commitments on Trade in Services**

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

On 13 April 1992, Peru submitted its revised conditional offer concerning initial commitments on trade in services (MTN.GNS/W/129/Rev.1). Attached is the draft schedule concerning initial commitments on trade in services, in conformity with the General Agreement on Trade in Services contained in the Draft Final Act of the Uruguay Round of 20 December 1991.

The scheduling of commitments has been made in accordance with the methodological criteria indicated in the document "Scheduling of Initial Commitments in Trade in Services: Explanatory Note" (MTN.GNS/W/164 of 3 September 1993).

The classification of the sectors is based on the Provisional Central Product Classification (CPC), prepared by the Statistical Office of the United Nations Department of Economic and Social Development (ST/ESA/STAT/SER.M/77).

The Government of Peru reserves the right to withdraw or modify all or part of the offers on binding in this Schedule depending on a satisfactory conclusion to the negotiations taking place on a framework agreement for international trade in services and initial commitments, as well as full application of the Most-Favoured-Nation Treatment Clause to all sectors. The Government of Peru also reserves the right to make technical modifications, and correct errors, omissions or lack of precision.

The Schedule is also conditional upon the achievement of significant and balanced results for Peru in the other areas of the Multilateral Trade Negotiations under the Uruguay Round.

- Modes of delivery:**
1. Cross-border supply
 2. Movement of consumers
 3. Presence of legal entities
 4. Presence of natural persons

Sector or Sub-Sector	Limitations on Market Access	Limitations on National Treatment
HORIZONTAL COMMITMENTS APPLICABLE TO THE SECTORS LISTED IN THE SECTORAL PART OF THE SCHEDULE		
Movement of natural persons providing services	<p>Domestic legislation specifies the following restrictions on market access and national treatment:</p> <p>In the case of natural persons providing services and employed by service-providing companies in the sectors and sub-sectors included in this list who are nationals of countries members of the General Agreement on Trade in Services (GATS). Peru permits entry for a period of not more than three years, which may be extended for successive periods of not more than three years. Such persons may not comprise more than 20 per cent of the total number of staff employed by the enterprise, and their remuneration may not exceed 30 per cent of the total pay roll. These percentages do not apply in the following cases:</p> <ul style="list-style-type: none"> - If the foreign supplier of services is the spouse, parent, child or sibling of a Peruvian citizen; - If the supplier of services is a national of a country which has a reciprocal labour agreement or an agreement on dual nationality with Peru; - In the case of personnel of foreign enterprises providing international land, air or water transport under a foreign flag and foreign registration; - In the case of foreign personnel working in multinational service enterprises or multinational banks subject to the legal regulations applicable to these specific cases; - In the case of foreign personnel recruited under bilateral or multilateral agreements concluded by the Government of Peru; 	

Sector or Sub-Sector	Limitations on Market Access	Limitations on National Treatment
Movement of natural persons providing services (cont'd)	<ul style="list-style-type: none"> - In the case of foreign investors who keep a minimum of five tax units (Unidades Impositivas Tributarias) during the term of the contract; - In the case of artists, sportsmen or sportswomen or other suppliers of services taking part in public performances in Peru for a maximum of three months each year. <p>Employers may request exemption from the percentages concerning the number of foreign workers and their proportion in the enterprise's payroll for specialized professional or technical personnel in the following cases:</p> <p>Managerial or administrative personnel involved in new business activities or in reconversion, specialized personnel recruited for teaching purposes, personnel of public or private enterprises with a State contract, and in any other case provided for in a Supreme Decree as a result of special expertise.</p> <p>The limitations on market access and national treatment are contained in Legislative Decree No. 689 of 4 November 1991, constituting the Law on the Recruitment of Foreigners in Peru, as well as by Supreme Decree No. 014-92-TR, Regulations of the Law on the Recruitment of Foreign Workers.</p>	
Foreign investment		<p>Legislative Decree No. 662, Law on the Promotion of Foreign Investment, provides that foreign investors and enterprises in which they participate have the same rights and obligations as domestic investors and enterprises, the only exceptions being those laid down in Peru's Political Constitution and in the aforementioned Legislative Decree. When the foreign investment has been made, it must be registered with the competent national authority. In connection with property, Peru's Political Constitution provides that within 50 kms. of the frontier foreigners may not under any circumstances directly or indirectly purchase or own mines, land, woodland, water resources, fuel or</p>

Sector or Sub-Sector	Limitations on Market Access	Limitations on National Treatment
Foreign investment (cont'd)	<p>energy sources, whether individually or as a company, on penalty of transfer of the rights thus acquired to the State. In addition, Legislative Decree No. 757, Framework Law for the Promotion of Private Investment, specifies the rights, guarantees and obligations applicable to all domestic or foreign natural or legal persons owning investments in Peru in order to ensure freedom of initiative and existing or future private investment in all economic sectors and in all forms of enterprises or contracts permitted by the Constitution and legislation.</p>	
COMMITMENTS IN SPECIFIC SECTORS	<p><u>DISTRIBUTION SERVICES</u></p> <p>Wholesale Trade Services</p> <ul style="list-style-type: none"> - Wholesale trade services of grain, oilseeds and oleaginous fruits, seeds and animal feed (CPC 62211) - Wholesale trade services of flowers and plants (CPC 62212) - Wholesale trade services of unmanufactured tobacco (CPC 62213) - Wholesale trade services of live animals (CPC 62214) - Wholesale trade services of hides and skins and of leather (CPC 62215) - Wholesale trade services of agricultural raw materials (CPC 62219) - Wholesale trade services of fruit and vegetables (CPC 62221) - Wholesale trade services of dairy products, eggs and edible oils and fats (CPC 62222) - Wholesale trade services of meat, poultry and game (CPC 62223) - Wholesale trade services of fishery products (CPC 62224) 	

Sector or Sub-Sector	Limitations on Market Access	Limitations on National Treatment
<ul style="list-style-type: none"> - Wholesale trade services of sugar, sugar and flour confectionery and bakery products (CPC 62225) - Wholesale trade services of beverages (CPC 62226) - Wholesale trade services of coffee, tea, cocoa and spices (CPC 62227) - Wholesale trade services of tobacco products (CPC 62228) - Wholesale trade services of food products (CPC 62229) - Wholesale trade services of textiles (CPC 62231) - Wholesale trade services of household linens (CPC 62232) - Wholesale trade services of articles of clothing (CPC 62233) - Wholesale trade services of fur articles (CPC 62234) - Wholesale trade services of footwear (CPC 62235) - Wholesale trade services of clothing accessories (CPC 62236) - Wholesale trade services of household furniture (CPC 62241) - Wholesale trade services of household appliances (CPC 62242) - Wholesale trade services of cutlery, domestic metalware and lighting articles and equipment (CPC 62243) - Wholesale trade services of radio and television equipment, musical instruments and records, music scores and tapes (CPC 62244) - Wholesale trade services of glassware, china and pottery (CPC 62245) 		

Sector or Sub-Sector	Limitations on Market Access	Limitations on National Treatment
<ul style="list-style-type: none"> - Wholesale trade services of wickerwork, cork goods, cooper's ware and other wooden ware (CPC 62246) - Wholesale trade services of wallpaper and floor coverings (CPC 62247) - Wholesale trade services of household appliances, articles and equipment (CPC 62249) - Wholesale trade services of pharmaceutical and medical goods (CPC 62251) - Wholesale trade services of surgical and orthopaedic instruments and devices (CPC 62252) - Wholesale trade services of perfumery, cosmetics and soaps (CPC 62253) - Wholesale trade services of paper and paper board (CPC 62261) - Wholesale trade services of books, magazines, newspapers and stationery (CPC 62262) - Wholesale trade services of photographic and optical goods (CPC 62263) - Wholesale trade services of games and toys (CPC 62264) - Wholesale trade services of watches, clocks and jewellery (CPC 62265) - Wholesale trade services of sports goods (including bicycles) (CPC 62266) - Wholesale trade services of leather goods and travel accessories (CPC 62267) - Wholesale trade services of cleaning materials (CPC 62268) - Wholesale trade services of miscellaneous consumer goods (CPC 62269) 		

Sector or Sub-Sector	Limitations on Market Access	Limitations on National Treatment
<ul style="list-style-type: none"> - Wholesale trade services of solid, liquid and gaseous fuels and related products (CPC 62271) - Wholesale trade services of metal ores and metal in primary forms (CPC 62272) - Wholesale trade services of wood in the rough and products of primary processing of wood (CPC 62273) - Wholesale trade services of paints, varnishes and lacquers (CPC 62274) - Wholesale trade services of construction materials, fittings and fixtures and flat glass (CPC 62275) - Wholesale trade services of basic industrial chemicals, fertilizers, synthetic resins and plastic materials in primary forms (CPC 62276) - Wholesale trade services of textile fibres (CPC 62277) - Wholesale trade services of intermediate products, other than agricultural (CPC 62279) 	<ul style="list-style-type: none"> 1. Not bound 2. Not bound 3. No limitations 4. No limitations 	<ul style="list-style-type: none"> 1. Not bound 2. Not bound 3. No limitations except as indicated under horizontal commitments 4. No limitations, except as indicated under horizontal commitments
<u>Retail trade services</u> <ul style="list-style-type: none"> - Retail sales of fruit and vegetables (CPC 63101) - Retail sales of dairy products and eggs (CPC 63102) - Retail sales of meat (including poultry) (CPC 63103) - Retail sales of fish and other sea foods (CPC 63104) - Retail sales of bread and flour confectionery (CPC 63105) - Retail sales of sugar confectionery (CPC 63106) 		

Sector or Sub-Sector	Limitations on Market Access	Limitations on National Treatment
- Retail sales of beverages not consumed on the spot (CPC 63107)		
- Retail sales of tobacco products (CPC 63108)		
- Specialized retail sales of food products (CPC 63109)	<p>(1) Not bound (2) Not bound (3) No limitations (4) No limitations</p>	<p>(1) Not bound (2) Not bound (3) No limitations, except as indicated under horizontal commitments (4) No limitations, except as indicated under horizontal commitment</p>
HOTEL AND RESTAURANT SERVICES		
<u>Hotel and other lodging services</u>		
- Hotel lodging services (CPC 64110)		
- Motel lodging services (CPC 64120)		
- Children's holiday camp services (CPC 64191)		
- Holiday centre and holiday home services (CPC 64192)		
- Letting services of furnished accommodation (CPC 64193)		
- Youth hostel and mountain shelter services (CPC 64194)		
- Camping and caravanning site services (CPC 64195)		
<u>Food serving services</u>		
- Meal serving services with full restaurant service (CPC 64210)		
- Meal serving services in self-service facilities (CPC 64220)		
- Caterer services, providing meals to outside (CPC 64230)		

Sector or Sub-Sector	Limitations on Market Access	Limitations on National Treatment
<u>Food serving services (cont'd)</u>	(1) Not bound (2) Not bound (3) No limitations (4) No limitations	(1) Not bound (2) Not bound (3) No limitations (4) No limitations, except as indicated under horizontal commitments and in *1*
	** Supreme Decree No. 021-93-ITINCI of 15 September 1993 regulates restaurant services in Peru. Supreme Decree Nos. 006-73-IC/DS contains the Regulations to be observed by all lodging establishments in Peru.	
TRANSPORT SERVICES		
<u>Transport services by sea-going vessels</u>		
- <u>Passenger transportation by ferries exclusively for internal tourist services (CPC 7211)</u>		
- <u>Other passenger transportation exclusively for internal tourist services (CPC 72119)</u>	1. No limitations 2. Not bound 3. No limitations 4. No limitations	1. Not bound 2. Not bound 3. No limitations 4. No limitations except as indicated under horizontal commitments and in *2*
<u>Transport services by non-sea-going vessels</u>		
- <u>Passenger Transportation by Ferries exclusively for internal tourist services (CPC 72211)</u>		
- <u>Other Passenger Transportation exclusively for internal tourist services (CPC 72219)</u>	1. No limitations 2. Not bound 3. No limitations 4. No limitations	1. Not bound 2. Not bound 3. No limitations 4. No limitations except as indicated under horizontal commitments and in *2*.
	** Supreme Resolution No. 0011-78 TC/DS of 6 February 1978 regulates the provision of tourist transport services in Peru. It defines the type of enterprise authorized, its scope and activities. In order to operate in Peru, these enterprises must request prior authorization.	

Sector or Sub-Sector	Limitations on Market Access	Limitations on National Treatment
<u>Travel agency, tour operator and tourist guide services</u>		
- Travel agency services (CPC 74710)	1. Not bound 2. Not bound 3. No limitations 4. No limitations	1. Not bound 2. Not bound 3. No limitations 4. No limitations, except as indicated under horizontal commitments and in *3*
- Travel agency and tour operator services (CPC 74710)	1. Not bound 2. Not bound 3. No limitations 4. No limitations	1. Not bound 2. Not bound 3. No limitations 4. No limitations, except as indicated under horizontal commitments and in *3*
3 All activities related to the tourist sector in Peru are governed by Law No. 24027, the General Law on Tourism, and its regulations in Supreme Decree No. 039-85-ICTI/TUR		
<u>Communications services</u>		
- Electronic Message and Information Services (CPC 75232)	1. No limitations, except as indicated in *4* 2. Not bound 3. No limitations, except as indicated under horizontal commitments and in *4* 4. No limitations, except as indicated under horizontal commitments and in *4*	1. No limitations, except as indicated in *4* 2. Not bound 3. No limitations, except as indicated under horizontal commitments and in *4* 4. No limitations, except as indicated under horizontal commitments and in *4*
4 Chapter VII (Articles 32 to 36) of Legislative Decree No. 702 of 8 November 1991, rules governing the promotion of investment in telecommunications, and its Regulations, are the legal rules which define the concept of value-added services in Peru as well as the limitations on national treatment and market access. The law states that value-added services may be operated by any natural or legal person, whether a Peruvian national or not, and do not require prior authorization, the only requirement being registration in the relevant register. Only includes : <ul style="list-style-type: none"> - Facsimile - Videotext - Teletext - Tele-action - Remote control - Tele-alarm - Storing and retrieval of data - Teleprocessing 		

Sector or Sub-Sector	Limitations on Market Access	Limitations on National Treatment
FINANCIAL INTERMEDIATION SERVICES		
<u>Life insurance, excluding reinsurance</u>		
- Life Insurance Services (CPC 81211)	1. Not bound 2. Not bound 3. No limitations, except as indicated under horizontal commitments and in *5* 4. Not bound	1. Not bound 2. Not bound 3. No limitations, except as indicated under horizontal commitments and in *5* 4. Not bound
<u>Non-life insurance services, excluding reinsurance</u>		
- Accident and health insurance services (CPC 81291)		
- Motor vehicle insurance services (CPC 81292)		
- Marine, aviation and other transport insurance services (CPC 81293)		
- Freight insurance services (CPC 81294)		
- Fire and other property damage insurance services (CPC 81295)		
- Pecuniary loss insurance services (CPC 81296)		
- General liability insurance services (CPC 81297)	1. Not bound 2. Not bound 3. No limitations, except as indicated under horizontal commitments and in *5* 4. Not bound	1. Not bound 2. Not bound 3. No limitations, except as indicated under horizontal commitments and in *5* 4. Not bound
<u>Reinsurance services</u>		
	1. No limitations, except as indicated in *5* 2. No limitations, except as indicated in *5* 3. No limitations, except as indicated under horizontal commitments and in *5* 4. Not technically feasible	1. No limitations, except as indicated in *5* 2. No limitations, except as indicated in *5* 3. No limitations, except as indicated under horizontal commitments and in *5* 4. Not technically feasible

Sector or Sub-Sector	Limitations on Market Access	Limitations on National Treatment
Reinsurance services (cont'd)	<p>*5*</p> <p>The opening of branches and agencies by enterprises or entities in the financial system requires an authorization by the Banking and Insurance Supervision Department in conformity with the general procedures it establishes. The transfer and closing of offices of enterprises and entities in the financial system which provide services to the public also requires an authorization by the Banking and Insurance Supervision Department, in accordance with the general procedures it establishes. Representatives of financial or reinsurance enterprises not established in Peru must be authorized by the Banking and Insurance Supervision Department.</p> <p>Insurance enterprises not working in the reinsurance field are not authorized to appoint representatives in Peru. Such representatives must confine their activities to reinsurance.</p> <p>The Banking and Insurance Supervision Department keeps a register of foreign reinsurance enterprises and entry in the Register is free of charge. An enterprise wishing to be included in the Register must submit an application indicating the date on which it was authorized to operate accompanied by:</p> <ul style="list-style-type: none"> (a) An authenticated copy of its current statutes; (b) A copy of its latest annual report showing its financial statement duly audited by external auditors; and (c) A copy of the Power of Attorney appointing a Peruvian resident to represent it with full powers. <p>The enterprise must prove that:</p> <ul style="list-style-type: none"> (a) It has been legally established in its country of origin and has capacity to reinsure risks ceded from abroad; (b) It has capital exceeding US\$10 million; this figure will be readjusted in the light of the indices of the United States of America, taking October 1993 as a basis; and (c) That it is in a position to meet its financial obligations in freely convertible currency under reinsurance contracts concluded abroad, in conformity with the legislation of its country of origin. <p>In addition, foreign financial services enterprises may not make claims through diplomatic channels in respect of business or operations carried out in Peru, on the basis of rights derived from their nationality.</p> <p>Peruvian creditors and foreigners domiciled in Peru have priority rights over the assets of a foreign financial services enterprise.</p> <p>The General Law on Banking, Financial and Insurance Institutions,² approved by Legislative Decree No. 769, defines the limitations regarding market access and national treatment for insurance purposes.</p>	
OTHER SERVICES	<p>- Leasing or rental services concerning private cars without operator, <u>without option to buy</u> (CPC 83101)</p> <ul style="list-style-type: none"> 1. Not bound 2. Not bound 3. No limitations 4. No limitations 	<ul style="list-style-type: none"> 1. Not bound 2. Not bound 3. No limitations, except as indicated under horizontal commitments 4. No limitations, except as indicated under horizontal commitments

Sector or Sub-Sector	Limitations on Market Access	Limitations on National Treatment
PROFESSIONAL SERVICES		
<u>Accounting, auditing and book-keeping services</u>		
- Financial Auditing Services (CPC 86211)		
- Accounting Review Services (CPC 86212)		
- Compilation of Financial Statements Services (CPC 86213)		
Book-keeping Services, except Tax Returns (CPC 86220)	1. Not bound 2. Not bound 3. No limitations 4. No limitations	1. Not bound 2. No limitations, except as indicated under horizontal commitments and in *6* 3. No limitations, except as indicated under horizontal commitments and in *6* 4. No limitations and in *6*
6		
<p>In order to be able to provide accounting, auditing and book-keeping services foreign professionals must have their professional degrees officially recognized. They must also enrol in the relevant professional college in accordance with Article 5 of Law No. 13253 of 11 September 1959. Accounting, auditing and book-keeping services are governed by all the provisions of the College of public accountants. SBS (Banking and Insurance Supervision Department) Resolution 119-92 on the registration of companies for external auditing also applies.</p>		
<u>Architectural services</u>		
- Advisory and pre-design architectural services (CPC 86711)		
- Architectural design services (CPC 86712)		
- Contract administration services (CPC 86713)		

Sector or Sub-Sector	Limitations on Market Access	Limitations on National Treatment
<u>Architectural services (cont'd)</u>		
- Combined architectural design and contract administration services (CPC 86714)	<p>1. Not bound 2. Not bound 3. No limitations 4. No limitations</p>	<p>1. Not bound 2. Not bound 3. No limitations, except as indicated under horizontal commitments and in *7* 4. No limitations, except as indicated under horizontal commitments and in *7*</p>
<u>ENGINEERING SERVICES</u>		
- Advisory and consultative engineering services (CPC 86721)		
- Engineering design services for the construction of foundations and building structures (CPC 86722)		
- Engineering design services for mechanical and electrical installations for buildings (CPC 86723)		
- Engineering design services for the construction of civil engineering works (CPC 86724)		
- Engineering design services for industrial processes and production (CPC 86725)		
- Engineering design services n.e.c. (CPC 86726)		
- Other engineering services during the construction and Installation Phase (CPC 86727)		
	<p>1. Not bound 2. Not bound 3. No limitations 4. No limitations</p>	<p>1. Not bound 2. Not bound 3. No limitations, except as indicated under horizontal commitments and in *7* 4. No limitations, except as indicated under horizontal commitments and in *7*</p>

Sector or Sub-Sector	Limitations on Market Access	Limitations on National Treatment
ENGINEERING SERVICES (cont'd)		
-	<p>*7* In order to be able to provide architectural and engineering services, foreign professionals must have their professional degrees officially recognized. In case of reciprocal conventions, this requirement may be waived. They must also enrol in the relevant professional college in accordance with Article I of Law No. 24648 of 23 January 1987 which may be done on a temporary basis. There may be a difference in the amount of the enrolment dues for Peruvians and foreigners.</p>	
- Management Consulting Services for Advice, Guidance and Operational Assistance <u>Related to Development of Tourism</u> (CPC 86509)	<p>1. No limitations 2. No limitations 3. No limitations 4. No limitations</p>	<p>1. Not bound 2. Not bound 3. No limitations, except as indicated under horizontal commitments. 4. No limitations, except as indicated under horizontal commitments.</p>
BUSINESS SERVICES		
<u>Advertising services</u>		
- Sale or leasing services of advertising space or time (CPC 87110)		
- Planning, creating and placement services of advertising (CPC 87120)		
		<p>1. Not bound 2. Not bound 3. No limitations 4. No limitations</p>
		<p>1. Not bound 2. Not bound 3. No limitations, except as indicated under horizontal commitments and in *8* 4. No limitations, except as indicated under horizontal commitments and in *8*</p>
		<p>*8* The Peruvian national law establishing limitations on market access and national treatment for commercial advertising of goods and services is Legislative Decree No. 691 of 5 November 1991. Article 1 of this Decree establishes that "advertising agency" or "advertiser" means any natural or legal person providing services of design, preparation, organization and/or production of advertisements and other advertising products, with no distinction as between Peruvians and foreigners.</p>

Sector or Sub-Sector	Limitations on Market Access	Limitations on National Treatment
<u>Advertising services (cont'd)</u>		
Services Provided at Assemblies or Conventions	i. Not bound 2. Not bound 3. No limitations 4. No limitations	1. Not bound 2. Not bound 3. No limitations 4. No limitations
RECREATIONAL, CULTURAL AND SPORTING SERVICES		
Other entertainment services		
- Theatrical producer, singer group, band and orchestra entertainment services (CPC 9691)		
- Services provided by authors, composers, sculptors, entertainers and other individual artists (CPC 96192)		
- Ancillary theatrical services n.e.c. (CPC 96193)		
- Circus, amusement park and similar attraction services (CPC 96194)		
- Ballroom, discotheque and dance instructor services (CPC 96195)	1. Not technically feasible 2. Not bound 3. No limitations 4. No limitations	1. Note technically feasible 2. Not bound 3. No limitations, except as indicated under horizontal commitments and in *9* 4. No limitations, except as indicated under horizontal commitments and in *9*
9		
In the case of live entertainment, the relevant legislation is Decree Law No. 19479 and Supreme Decree No. 13-87-ED. In any artistic production or entertainment given in a public place in Peru the proportion of Peruvian performers shall not be less than 80 per cent of the total. The remaining 20 per cent may consist of foreign artists provided they have a contract concluded prior to their entry, possess an artiste's visa and the corresponding inter-union permit. The percentage may be 40 per cent in the case of Latin American artists interpreting Latin American themes. These percentages do not apply in the case of performances given by foreign casts hired as such outside Peru and whose performance constitutes the entire work or entertainment. The relevant provisions of the National Cultural Institute also apply.		

Sector or Sub-Sector	Limitations on Market Access	Limitations on National Treatment
<u>SPORTING AND OTHER RECREATIONAL SERVICES</u>		
<u>Sporting services</u>		
- Sports event promotion services (CPC 96411)		
- Sports event organization services (CPC 96412)		
- Sports facility operation services (CPC 96413)		
<u>Recreational services</u>		
- Gambling and betting services (CPC 96492)	1. Not bound 2. Not bound 3. No limitations 4. No limitations	1. Not bound 2. Not bound 3. No limitations, except as indicated under horizontal commitments 4. No limitations, except as indicated under horizontal commitments