

**CETA - Services and Investment - Federal Government - First Offer - Annex II Reservations**

Reservation	Level of Government	Sector	Sub-Sector	Industry	Reservation Type(s)	Existing Measures	Description
FED01	Federal	Aboriginal Affairs			National Treatment (Articles ___ and ___), Market Access (Articles ___ and ___), Most-Favoured-Nation Treatment (___ and ___), Performance Requirements (Article ___), Senior Management and Boards of Directors (Article ___)	Constitution Act, 1982, being Schedule B of the Canada Act 1982 (U.K.), 1982, c. 11	<p>Cross-Border Trade in Services and Investment</p> <p>Canada reserves the right to adopt or maintain any measure denying investors of the European Union [Member States] and their investments, or service providers of the European Union [Member States], rights or preferences provided to aboriginal peoples.</p>

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FED02	Federal	Agriculture			Market Access		<p>Cross-Border Trade in Services and Investment</p> <p>Canada reserves the right to adopt or maintain any measure related to the production or marketing of agricultural products, including selling, offering for sale, buying, importing, exporting, pricing, pooling, and the management of other activities such as assembling, packing, processing, disposing, transporting, storing, handling, researching, promoting, insuring, or any other act necessary to prepare the product in a form or make it available at a place or time for purchase for consumption or use.</p>
FED03	Federal	All Sectors			National Treatment (Article ____), Market Access (Article ____)		<p>Investment</p> <p>Canada reserves the right to adopt or maintain any measure relating to residency requirements for the ownership by investors of the European Union [Member States], or their investments, of oceanfront land.</p>

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FED04	Federal	Communications	Telecommunications Transport Networks and Services, Radiocommunications	CPC 752 Telecommunications Services	National Treatment (Article -), Senior Management and Boards of Directors (Article -), [Market Access (Article )]	Telecommunications Act, S.C. 1993, c. 38, Canadian Telecommunications Common Carrier Ownership and Control Regulations, SOR/94-667, Radiocommunications Act, R.S.C. 1985, c. R-2, Radiocommunication Regulations, SOR/96-484	Investment 1. Canada reserves the right to adopt or maintain any measure: (a) limiting foreign investment in facilities-based telecommunications service suppliers, provided that the measure adopted or maintained by Canada does not limit foreign investment to less than a cumulative total of 46.7% of voting shares, based on 20% direct investment and 33.3% indirect investment; (b) requiring that facilities-based telecommunications service suppliers be controlled in fact by a Canadian; (c) requiring that at least 80% of the members of the board of directors of facilities-based telecommunications service suppliers be Canadian; and

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FED04 (continued)	Federal	Communications	Telecommunications Transport Networks and Services, Radiocommunications	CPC 752 Telecommunications Services	National Treatment (Article -), Senior Management and Boards of Directors (Article -), [Market Access (Article )]	Telecommunications Act, S.C. 1993, c. 38, Canadian Telecommunications Common Carrier Ownership and Control Regulations, SOR/94-667, Radiocommunications Act, R.S.C. 1985, c. R-2, Radiocommunication Regulations, SOR/96-484	(d) imposing restrictions on facilities-based telecommunications service suppliers exceeding the permissible cumulative foreign investment level on July 22, 1987, and continuing to exceed this level.  2. The following exceptions apply to this reservation: (a) foreign investment is allowed up to 100% for suppliers conducting operations under an international submarine cable licence; (b) mobile satellite systems owned and controlled up to a level of 100% by a foreign service provider may be used by a Canadian service provider to provide services in Canada; and (c) fixed satellite systems owned and controlled up to a level of 100% by foreign service providers may be used to provide services between points in Canada and all points outside Canada.

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FED05	Federal	Communications	Telecommunications Transport Networks and Services, Radiocommunications, Telecommunication Services	CPC 7529 Other Telecommunications Services, CPC 7549 Other Telecommunications Services not elsewhere classified	National Treatment (Article -), Senior Management and Boards of Directors (Article -), [Market Access (Article )]	Radiocommunication Act, R.S.C. 1985, c. R-2, Radiocommunication Regulations, SOR/96-484, Telecommunications Act, S.C. 1993, c. 38, Canadian Telecommunications Common Carrier Ownership and Control Regulations, SOR/94-667	Cross-Border Trade in Services and Investment  Canada reserves the right to adopt or maintain any measure relating to providing, or investing in, telecommunications services classified in CPC 7529, excluding mobile services, and CPC 7549.
FED06	Federal	Communications	Telecommunications Transport Networks and Services	CPC 752 Telecommunications Services, CPC 7543 Connection Services, CPC 7549 Other Telecommunications Services not elsewhere. Classified (limited to telecommunications transport networks and services)	National Treatment (Article -), [Market Access (Article )]	Telecommunications Act, S.C. 1993, c. 38	Investment  Canada reserves the right to adopt or maintain any measure that may limit competition in providing local wireline telephone services in the serving areas of Northwestel Inc.

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FED07	Federal	Fisheries	Fishing and Related Services and Investment	SIC 031 Fishing Industry, SIC 032 Services Incidental to Fishing, CPC 882 Services Incidental to Fishing	National Treatment (Article X), Most-Favoured Nation Treatment (Article X), Market Access (Article X), Performance Requirements (Article X)	Fisheries Act, R.S.C. 1985, c. F14, Coastal Fisheries Protection Act, R.S.C. 1985, c.33, Coastal Fisheries Protection Regulations, C.R.C. 1978, c. 413, Commercial Fisheries Licensing Policy, Policy on Foreign Investment in the Canadian Fisheries Sector, 1985	Cross-Border Trade in Services and Investment  Canada reserves the right to adopt or maintain any measures with respect to licensing fishing or fishing related activities, including entry of foreign fishing vessels to Canada's exclusive economic zone, territorial sea, internal waters or ports and use of any services therein.
FED08	Federal	Government Finance	Securities	SIC 8152 Finance and Economic Administration	National Treatment (Article 9.04), Market Access	Financial Administration Act, R.S.C. 1985, c. F-11	Investment  Canada reserves the right to adopt or maintain any measure relating to the acquisition, sale or other disposition by nationals of the European Union of bonds, treasury bills or other kinds of debt securities issued by the Government of Canada or a Canadian sub-national government.
FED09	Federal	Minority Affairs			National Treatment (Articles ), Performance Requirements (Article ), Senior Management and Boards of Directors (Article ), Market Access		Cross-Border Trade in Services and Investment  Canada reserves the right to adopt or maintain any measure conferring rights or privileges to a socially or economically disadvantaged minority.

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FED10	Federal	Social Services			National Treatment (Articles ), Most-Favoured-Nation Treatment (Articles ), Senior Management and Boards of Directors (Article 1107), Market Access		<p>Cross-Border Trade in Services and Investment</p> <p>Canada reserves the right to adopt or maintain any measure with respect to the provision of public law enforcement and correctional services, and the following services to the extent that they are social services established or maintained for a public purpose: income security or insurance, social security or insurance, social welfare, public education, public training, health, and child care.</p>
FED11	Federal	All Sectors			Market Access (Articles XX)		<p>Cross Border Trade in Services and Investment</p> <p>Canada reserves the right to adopt or maintain any measure affecting services supplied in the exercise of government authority which is neither supplied on a commercial basis, nor in competition with one or more service suppliers.</p>

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Reservation	Level of Government	Sector	Sub-Sector	Industry	Reservation Type(s)	Existing Measures	Description
FED12	Federal	Transportation	Air Transportation	Not CPC-defined, rather aircraft repair and maintenance services, as defined in the Cross-Border Trade in Services chapter	Most-Favoured-Nation Treatment (Article___)		<p>Cross-Border Trade in Services</p> <p>Canada reserves the right to selectively negotiate agreements or arrangements with other States, organisations of States, aeronautical authorities or service providers to recognize their accreditation of repair, overhaul and maintenance facilities and certification by such facilities of work performed on Canadian-registered aircraft and other related aeronautical products.</p>
FED13	Federal	Transportation	Air Transportation	Selling and marketing of air transport services, as defined in the Cross-Border Trade in Services chapter	National Treatment (Articles___ and ___), Most-Favoured-Nation Treatment (Articles___ and ___), Market Access (Articles___ and ___)		<p>Cross-Border Trade in Services and Investment</p> <p>Canada reserves the right to adopt or maintain any measure relating to the selling and marketing of air transportation services.</p>

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FED14	Federal	Transportation	Water Transportation	CPC 5133/5223 , CPC 721 , CPC 722 , CPC 74510 , CPC 74520 , CPC 74540 , CPC74590	National Treatment (Articles__ and ___), Most-Favoured-Nation Treatment (Articles__ and ___), Market Access (Articles__ and ___), Performance Requirements (Article___), Senior Management and Boards of Directors (Article___)	Coasting Trade Act, S.C., 1992, c. 31, Canada Shipping Act, 2001, S.C. 2001, c.26, Customs Act, R.S.C., 1985, c.1 (2nd Supp.), Customs and Excise Offshore Application Act, R.S.C., 1985, c. C-53.	<p>Cross-Border Trade in Services and Investment</p> <p>Canada reserves the right to adopt or maintain any measure relating to the investment in or provision of marine cabotage services, including:</p> <p>(a) the transportation of either goods or passengers by ship between points in the territory of Canada or above the continental shelf of Canada, either directly or by way of a place outside Canada; but with respect to waters above the continental shelf of Canada, the transportation of either goods or passengers only in relation to the exploration, exploitation or transportation of the mineral or non-living natural resources of the continental shelf of Canada; and</p>

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FED14 (continued)	Federal	Transportation	Water Transportation	CPC 5133/5223 , CPC 721 , CPC 722 , CPC 74510 , CPC 74520 , CPC 74540 , CPC74590	National Treatment (Articles___ and ___), Most-Favoured- Nation Treatment (Articles___ and ___), Market Access (Articles___ and ___), Performance Requirements (Article___), Senior Management and Boards of Directors (Article___)	Coasting Trade Act, S.C., 1992, c. 31, Canada Shipping Act, 2001, S.C. 2001, c.26, Customs Act, R.S.C., 1985, c.1 (2nd Supp.), Customs and Excise Offshore Application Act, R.S.C., 1985, c. C-53.	(b) the engaging by ship in any other marine activity of a commercial nature in the territory of Canada and, with respect to waters above the continental shelf, in such other marine activities of a commercial nature that are in relation to the exploration, exploitation or transportation of the mineral or non- living natural resources of the continental shelf of Canada.  This reservation relates to, among other things, limitations and conditions for services providers entitled to participate in these activities, criteria for the issuance of a temporary cabotage license to foreign ships and limits on the number of cabotage licenses issued to foreign ships.

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FED14 (continued)	Federal	Transportation	Water Transportation	CPC 5133/5223 , CPC 721 , CPC 722 , CPC 74510 , CPC 74520 , CPC 74540 , CPC74590	National Treatment (Articles___ and ___), Most-Favoured- Nation Treatment (Articles___ and ___), Market Access (Articles___ and ___), Performance Requirements (Article___), Senior Management and Boards of Directors (Article___)	Coasting Trade Act, S.C., 1992, c. 31, Canada Shipping Act, 2001, S.C. 2001, c.26, Customs Act, R.S.C., 1985, c.1 (2nd Supp.), Customs and Excise Offshore Application Act, R.S.C., 1985, c. C-53.	For greater certainty this reservation applies, inter alia, to feeder services. This reservation does not apply to EU Member State shipping companies repositioning owned/ leased empty containers on a non-revenue basis using ships vessels of any registry.

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FED15	Federal	Transportation	Water Transportation	CPC 721 , CPC 722 , CPC 74510 , CPC 74520 , CPC 74540 , CPC 74590	Most-Favoured-Nation Treatment (Article___)		Cross-Border Trade in Services  Canada reserves the right to adopt or maintain any measure relating to the implementation of agreements, arrangements and other formal or informal undertakings with other countries with respect to maritime activities in waters of mutual interest in such areas as pollution control (including double hull requirements for oil tankers), safe navigation, barge inspection standards, water quality, pilotage, salvage, drug abuse control and maritime communications.
FED16	Federal	Transportation	Water Transportation	CPC 721 , CPC 722 , CPC 74520 , CPC 74540 , CPC 74590t, CPC 5133/5223	Most-Favoured Nation Treatment (Article___)		Cross-Border Trade in Services  Canada reserves the right to selectively negotiate agreements or arrangements with other States, organisations of States, or maritime authorities to recognize the certification of masters, mates, engineers and certain other seafarers.
FED17	Federal	Transportation		CPC Section 7	Market Access (Article___)		Investment  Canada reserves the right to adopt or maintain any measure relating to the specific type of legal entity operating transportation infrastructure.

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FED18	Federal	Transportation	All sub-sectors excluding, Maritime Freight Forwarding Services, Computer Reservation Systems Services and services auxiliary to all modes of transportation other than Maritime Transportation Services (CPC 7411, 7419, 742, 748).	CPC 7	Market Access (Articles ____ and ____)		<p>Cross-Border Trade in Services and Investment</p> <p>Canada reserves the right to adopt or maintain any measure that is not inconsistent with Canada’s obligations under Article XVI of the GATS, incorporating any modifications thereto.</p>

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FED19	Federal	Transportation		CPC 74 (Supporting and Auxiliary Transport Services), Ground handling services as defined in the Cross-Border Trade in Services Chapter	Market Access (Article__)		<p>Investment</p> <p>Canada reserves the right to adopt or maintain any measure limiting the number of providers of certain supporting and auxiliary transport services related to the handling of passengers, freight, cargo (including mail) and transportation conveyances that support transportation carriers, at airports, ports and land terminals, where physical or operational constraints arise primarily as a result of safety or security considerations.</p> <p>For greater certainty, in the case of ground handling services, this reservation does not affect Canada's rights and obligations under the Agreement on Air Transport Between Canada and the European Community and its Member States</p>

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FED20	Federal	All Sectors			Most-Favoured-Nation Treatment (Article___)		<p>Investment</p> <p>Canada reserves the right to adopt or maintain any measure that accords differential treatment under any bilateral or multilateral international agreement in force or signed prior to the date of entry into force of this Agreement.</p> <p>Canada reserves the right to adopt or maintain any measure that accords differential treatment pursuant to any existing or future bilateral or multilateral agreement relating to:</p> <ul style="list-style-type: none"> <li>(a) aviation;</li> <li>(b) fisheries;</li> <li>(c) maritime matters, including salvage.</li> </ul>