

## **Annex I**

### **Schedule of Ecuador**

#### **Explanatory Notes**

1. The Schedule of a Party to this Annex sets out, pursuant to Article 8.6 (Non-Conforming Measures), the Party's existing measures that are not subject to some or all of the obligations imposed by:

- (a) Article 8.2 (National Treatment);
- (b) Article 8.3 (Most-Favored-Nation Treatment);
- (c) Article 8.4 (Market Access); or
- (d) Article 8.5 (Local Presence).

2. Each Schedule entry sets out the following elements:

- (a) **Sector** refers to the sector for which the entry is made;
- (b) **Sub-sector** refers to the specific sector for which the entry is made;
- (c) **Obligations Concerned** specifies the article(s) referred to in paragraph 1 that, pursuant to Article 8.6.1 (a), do not apply to the non-conforming aspects of the law, regulation, or other measure, as set out in paragraph 3;
- (d) **Level of Government** indicates the level of government maintaining the scheduled measure(s);
- (e) **Measures** identifies the laws, regulations, or other measures for which the entry is made. A measure cited in the **Measures** element:
  - (i) means the measure as amended, continued, or renewed as of the date of entry into force of this Agreement; and
  - (ii) includes any subordinate measure adopted or maintained under the authority of and consistent with the measure; and
- (f) **Description** sets out commitments, if any, for liberalization on the date of entry into force of the Agreement, and the remaining

non-conforming aspects of the measure for which the entry is made.

3. In the interpretation of a Schedule entry, all elements of the entry shall be considered. An entry shall be interpreted in light of the relevant articles against which the entry is made. 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. In accordance with Article 8.6.1 (a), and subject to Article 8.6.1 (c), 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.

5. For Ecuador, a national juridical person is one that is constituted in accordance with Ecuadorian laws, either with national and / or foreign investments.

6. For Ecuador, a foreign person means a foreign national or an enterprise organized under the laws of another country.

7. For Ecuador, stock company refers to an entity constituted under Section VI "*Compañía Anónima* (Stock Company) " of the *Companies Law*.

<b>1. Sector:</b>	Customs Agents Services
<b>Sub-sector:</b>	
<b>Obligations Concerned:</b>	Local Presence (Article 8.5)
<b>Level of Government:</b>	Central
<b>Measures:</b>	<i>Regulation that Controls the Exercise of Customs Agents and Auxiliaries</i> , Chapter II "Of the customs agents", Article 6, Chapter VII "Auxiliary of the customs agent", Article 41
<b>Description:</b>	<u>Cross-Border Trade in Services</u>  Domicile in Ecuador is required to exercise professional services of customs agents and auxiliaries of customs agents.

<b>2. Sector:</b>	Legal Services <sup>1</sup>
<b>Sub-sector:</b>	
<b>Obligations Concerned:</b>	National Treatment (Article 8.2) Most-Favored-Nation Treatment (Article 8.3)
<b>Level of Government:</b>	Central
<b>Measures:</b>	<i>Organic Code of the Judicial Function</i> , Title VII "Lawyers"; Chapter I "Lawyers in sponsorship of cases", Articles 324, 326 and 327; Chapter III "Pre-professional practice for graduates of the faculties of jurisprudence, law and legal sciences", Articles 332, 339 and 340
<b>Description:</b>	<u>Cross-Border Trade in Services</u>  Foreign lawyers may practice the profession, provided that their degree is recognized in the country under the conditions prescribed by law, and with observance of the principle of reciprocity.

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<sup>1</sup> For greater certainty, this entry does not apply to advisory services on foreign legislation and international law, as established in the Schedules of Specific Commitments of Ecuador under the GATS (GATS/SC/98, GATS/SC/98/Suppl.1, and GATS/SC/98 /Suppl.2).

<b>3. Sector:</b>	Professional Services
<b>Sub-sector:</b>	Notarial Services
<b>Obligations Concerned:</b>	National Treatment (Article 8.2)
<b>Level of Government:</b>	Central
<b>Measures:</b>	<i>Organic Code of the Judicial Function</i> ; Title VI "Auxiliary Organs of the Judicial Function"; Chapter I "Notaries", Article 299
<b>Description:</b>	<u>Cross-Border Trade in Services</u>  To be a notary, it is necessary to be Ecuadorian and to be in enjoyment of the rights of political participation.

<b>4. Sector:</b>	Leasing or Rental Services without Operator
<b>Sub-sector:</b>	Leasing or Rental Services, with or without Purchase Option, concerning Goods Transport Vehicles without Operator
	Leasing or Rental Services, with or without Purchase Option, concerning Other Land Transport Equipment without Operator
<b>Obligations Concerned:</b>	National Treatment (Article 8.2)
<b>Level of Government:</b>	Central
<b>Measures:</b>	<p><i>Organic Law on Land Transport, Traffic and Road Safety</i>, Title V "Of the enabling titles of land transport", Chapter II "Of the Administrative Regime", Section II "Of the vehicle rental and leasing companies", Article 77.a; Section IV "Of the application of the administrative sanctions for the vehicle rental and leasing companies", Articles 77.e, 77.f, and 78</p> <p><i>Regulation for the Operation of Vehicle Rental or Leasing Companies</i>, Title II "Of the authorization and operation of the vehicle rental companies ", Chapter II "Corporate Purpose", Articles 5 and 6</p>
<b>Description:</b>	<p><u>Cross-Border Trade in Services</u></p> <p>Only national juridical persons whose main corporate purpose is the rental or leasing of vehicles for land transportation may provide such services. Such companies are prohibited from:</p> <ul style="list-style-type: none"> <li>a) providing services directly and with a driver. The vehicles rented to the companies may be used in the transfer of people and goods only and exclusively by the natural or legal persons who rent them, without them receiving an economic compensation for the transport; and</li> </ul>

- b) performing public or commercial transport service.

<b>5. Sector:</b>	Telecommunication Services <sup>2</sup>
<b>Sub-Sector:</b>	
<b>Obligations Concerned:</b>	National Treatment (Article 8.2) Market Access (Article 8.4) Local Presence (Article 8.5)
<b>Level of Government:</b>	Central
<b>Measures:</b>	<p><i>Constitution of the Republic of Ecuador</i>, Title VI "Development regime", Chapter V "Strategic sectors, services and state-owned enterprises", Article 313; Chapter VI "Labor and production", Section Six "Savings and Investment", Article 339; Title VII "Good living regime", Chapter I "Inclusion and equity", Chapter II "Biodiversity and natural resources", Article 408</p> <p><i>Organic Administrative Code</i>, Title I "The administrative organization", Chapter Three "Exercise of powers", Articles 74, 75, 76 and 77</p> <p><i>Companies Law</i>, Section I "General provisions", Section XIII "On foreign companies", Article 415</p> <p><i>Organic Law on Telecommunications</i>, Title II "Networks and Provision of Telecommunications Services", Chapter II "Provision of Telecommunications Services", Articles 14 and 15; Title V "Enabling Titles", Chapter I "Enabling Titles for the Provision of Telecommunications Services", Article 39; and Chapter II "Use and Exploitation of the Radio Spectrum", Article 55; Title XI "Scarce Resources and Occupation of Goods", Chapter I "Allocation of the radio spectrum", Article 93</p> <p><i>General Regulations to the Organic Law on Telecommunications</i>, Title III "Enabling Titles", Chapter II "Provisions for Enabling Titles by</p>

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<sup>2</sup> For greater certainty, this entry does not apply to C. Telecommunication Services literals (h) to (n), as established in the Schedules of Specific Commitments of Ecuador under the GATS (GATS/SC/98, GATS/SC/98/Suppl.1, and GATS/SC/98 /Suppl.2).



Delegation", Article 20; Title VII "On the Service Contract Regime", Chapter IV "On the Rights and Obligations of Service Providers"; Article 59; Title IX "Of the Tariff Regime for the Provision of Services" Article 62

*Regulation of Enabling Titles for Telecommunications and Frequencies*, Book I "Granting of Enabling Titles", Title I "Granting of Enabling Titles for Telecommunications Services", Chapter I "Enabling Titles Granted under the Modality of General Authorization", Article 14

**Description:**

Cross-Border Trade in Services

Operating licenses are required for:

- (a) the provision of telecommunications services, including the provision of broadcasting services;
- (b) use or exploitation of radio spectrum; and
- (c) establishment and operation of telecommunications networks.

To obtain such operating licenses, natural persons must be residents, and the foreign person must be domiciled in Ecuador. Such operating licenses are subject to economic need tests.

Public companies providing telecommunications services shall have a preferential right to the use and exploitation of the radio spectrum, to ensure the provision of the universal telecommunications service in isolated rural sectors, marginal urban sectors and to lower-income population groups, under conditions that do not affect the provision of such scarce resource for access and participation of private operators in the market of commercial interest.

Public companies for the provision of telecommunications services shall be obliged to pay rights, fees, contributions and other obligations, except for the following: i) for the granting or renewal of operating licenses; and, ii) for the granting or renewal of authorization of frequencies for their use and exploitation. However, public companies must accrue these exemptions in their entirety, through the fulfillment of obligations of a social nature of universal service or the execution of resolutions provided by *ARCOTEL* (Telecommunications Regulatory and Control Agency), subject to the public policies issued by the Ministry of Telecommunications.

Cross subsidies are not allowed to telecommunications services providers that have enabling titles by delegation, including subscription broadcasting; whereas telecommunications services providers that have an enabling title by authorization may apply such subsidies, only in the case of universal service, in order to comply with their constitutional obligations, observing for this purpose the concepts of social profitability.<sup>3</sup>

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<sup>3</sup> For greater certainty, enabling titles by delegation are granted to private telecommunication services suppliers; and enabling titles by authorization are granted to public telecommunication companies.

<b>6. Sector:</b>	Communication
<b>Sub-sector:</b>	
<b>Obligations Concerned:</b>	National Treatment (Article 8.2)
<b>Level of Government:</b>	Central
<b>Measures:</b>	<i>Organic Law on Communication</i> ; Title VI “Advertising, National Production and Public Shows”, Section II “National Production” Article 98
<b>Description:</b>	<p><u>Cross-Border Trade in Services</u></p> <p>The advertising that is disseminated in Ecuadorian territory through the media must be produced in Ecuadorian territory by Ecuadorian or foreign natural persons residing in Ecuador, or produced abroad by Ecuadorian persons residing abroad or foreign legal persons whose ownership of the majority of the shareholding package corresponds to Ecuadorian persons and whose payroll for its realization and production constitutes at least 80 percent of persons of Ecuadorian nationality. This percentage of payroll will include professional services contracts.</p> <p>Advertising production is understood to mean television and film commercials, radio spots, photographs for static advertising, or any other audiovisual piece used for advertising purposes.</p>

<b>7. Sector:</b>	Radio and Television Services
<b>Sub-sector:</b>	
<b>Obligations Concerned:</b>	Market Access (Article 8.4)
<b>Level of Government:</b>	Central
<b>Measures:</b>	<i>Organic Law on Communication</i> , Title VII “Of the Radiofrequency Spectrum”, Article 113
<b>Description:</b>	<p><u>Cross-Border Trade in Services</u></p> <p>The telecommunications authority may not award more than one frequency concession for AM radio, one frequency concession for FM radio, and one frequency concession for television to the same natural or legal person throughout the national territory.</p> <p>Whoever holds a radio concession, either in AM or FM, can participate in public tenders for the award of no more than one shortwave frequency.</p>

<b>8. Sector:</b>	Broadcasting
<b>Sub-sector:</b>	Radio and Free-to-air Television
<b>Obligations Concerned:</b>	Market Access (Article 8.4)
<b>Level of Government:</b>	Central
<b>Measures:</b>	<i>Organic Law on Communication</i> , Title V “Social Communication Media”, Article 74, and Title VII “Of the Radiofrequency Spectrum”, Article 106
<b>Description:</b>	<p><u>Cross-Border Trade in Services</u></p> <p>Open signal media, radio and television will have the obligation to provide free of charge the following social services of information of public interest:</p> <ul style="list-style-type: none"> <li>a) Transmitting on a national or local channel, in all or several social media, the messages of public interest mandated by the President of Ecuador or the entity of the Executive Function that receives this competence.</li> <li>b) Transmitting on a national or local channel, in the cases of a state of emergency provided for in the Constitution of the Republic, the messages mandated by the President of Ecuador or the authorities designated for that purpose;</li> <li>c) Allocating one hour a day, not cumulative, for official programs of television education, culture, health and rights prepared by the Ministries or Secretariats with competence in these matters; and</li> <li>d) Transmitting the message of the designated official spokesperson,</li> </ul>

in order to keep the population informed about the development of dangerous events known as disasters and catastrophes of levels 4, 5 and with red alert, declared by the governing body of the National Decentralized Risk Management System, through the link of the public, private and community media without necessarily receiving the declaration of a state of emergency.

For free-to-air, up to 34 percent of the radio spectrum will be reserved for the community sector; 66 percent will be assigned to the public and private sectors; the public sector rate must not exceed a percentage of 10 percent of the spectrum.

<b>9. Sector:</b>	Audiovisual services
<b>Sub-sector:</b>	Free-to-air Television Services
<b>Obligations Concerned:</b>	Market Access (Article 8.4)
<b>Level of Government:</b>	Central
<b>Measures:</b>	<i>Organic Law on Communication</i> , Title VI "Advertising, National Production and Public Shows", Section II "National Production" Articles 97, 100 and 101
<b>Description:</b>	<u>Cross-Border Trade in Services</u>

The audiovisual media, whose signal is of national origin, will broadcast national productions for at least 60 percent of the schedule suitable for all audiences' daily programming. These audiovisual media will reach the percentage progressively. National productions include cinematographic productions and audiovisual creations, programs and series of plots, documentaries, experimental, animation, and mixed media; as well as video productions, art, music videos, telenovelas and other author productions.

This content of national origin must include at least 10 percent of independent national production, calculated according to the total daily programming of the media.

An audiovisual work will be considered national when at least 80 percent of people of Ecuadorian nationality or foreigners legally resident in the country have participated in its creation. The same percentage applies when the work has been made outside the country, by Ecuadorians residing abroad.

The indicated schedule corresponds to the family time slot between 6:00 a.m. and 6:00 p.m., in which type A programming is broadcasted, suitable for all audiences.





<b>10. Sector:</b>	Audiovisual Services
<b>Sub-sector:</b>	Free-to-air and Subscription Television
<b>Obligations Concerned:</b>	Most-Favored-Nation Treatment (Article 8.3) Market Access (Article 8.4)
<b>Level of Government:</b>	Central
<b>Measures:</b>	<i>Organic Law on Communication</i> , Title II "Principles and Rights", Chapter II "Rights to Communication", Title V "Social Communication Media", Title VI "Advertising, National Production and Public Shows", Section II "National Production", Article 102
<b>Description:</b>	<p><u>Cross-Border Trade in Services</u></p> <p>The free-to-air television media and audio and video subscription systems that have within their programming grid one or more channels whose signal is broadcasted from Ecuadorian territory, will acquire their rights annually and exhibit at least two feature films of independent national production.</p> <p>When the volume of the independent national production does not cover the expected quota, Ibero-American productions will supply it, taking into account principles of reciprocity with their countries of origin.</p> <p>Subscription audio and video systems shall suspend their programming to link free of charge to a national or local channel, to transmit the messages mandated by the President of the Republic or the authorities designated for that purpose or in cases of state of emergency.</p> <p>Subscription audio and video systems must transmit in their system the national, zonal, and local free-to-air television channels previously qualified by the Council for the Regulation, Development, and Promotion of Information and Communication for this purpose, considering the quality of its contents and programming, as long</p>

as they meet the technical conditions established by the telecommunications authority.

The transmission of free-to-air television by subscription audio and video systems within the national territory will be exempt from payment for retransmission rights to the television station or the system operator and will not be charged to the subscribers or subscribers of these systems.

In the transmission of free-to-air television signals by subscription audio and video systems, the original programming will be respected, and it will not be possible to alter or include advertising that does not have the authorization of the programming owner.

<b>11. Sector:</b>	Communication Services
<b>Sub-sector:</b>	Radio broadcasting
<b>Obligations Concerned:</b>	Market Access (Article 8.4)
<b>Level of Government:</b>	Central
<b>Measures:</b>	<i>Organic Law on Communication</i> ; Title VI “Publicity, National Production and Public Shows”, Section II “National Production”, Article 103
<b>Description:</b>	<p><u>Cross-Border Trade in Services</u></p> <p>In the case of radio broadcasting stations, the space intended for the broadcast of music produced, composed or performed in Ecuador, or abroad by Ecuadorian performers, composers or artists residing abroad; as well as the broadcast of journalistic content of national origin production, must represent at least 50 percent of the contents broadcast in all its schedules, with the payment for copyright as established in the law, in the case of the national music.</p> <p>The stations of thematic or specialized character are exempt from the referred obligation of 50 percent of the musical contents.</p>

<b>12. Sector:</b>	Postal and Mail Services
<b>Sub-sector:</b>	Postal Services
<b>Obligations Concerned:</b>	Local Presence (Article 8.5)
<b>Level of Government</b>	Central
<b>Measures:</b>	<p><i>General Law on Postal Services</i>; Chapter I "Preliminary Provisions"; Article 1; Chapter III "Postal Services and their Enabling Titles", Articles 15, 16 and 20</p> <p><i>General Regulations to the Law on Postal Services</i>; Chapter VII "Enabling Titles", Articles 37, 38, 39 and 40</p>
<b>Description:</b>	<p><u>Cross-Border Trade in Services</u></p> <p>In Ecuador, the provision of postal services will be carried out under the authorization of the respective entity either by means of a permit or an enabling title. To receive this authorization, the foreign natural person or the foreign legal person must be domiciled in the country.</p> <p>The services referred to in the previous paragraph include: expedited courier or courier, postal orders provided by air, land, sea or river transport, and parcel shipments through land transport companies and everything related to electronic commerce in postal matters.</p> <p>This entry does not apply to postal services included in the universal postal service.</p>

<b>13. Sector:</b>	Prepaid Health Care Services <sup>4</sup>
<b>Sub-sector:</b>	
<b>Obligations Concerned:</b>	Market Access (Article 8.4)
<b>Level of Government:</b>	Central
<b>Measures:</b>	<i>Organic Law that Regulates Companies that Finance Comprehensive Prepaid Health Care Services and Insurance Companies that Offer Coverage of Insurance Medical Assistance, Chapter II “Incorporation and Functioning of Companies that Finance Comprehensive Prepaid Health Care Services and of Insurance Companies that Offer Coverage of Insurance Medical Assistance”, Article 6.</i>
<b>Description:</b>	<u>Cross-Border Trade in Services</u>  Only national juridical persons constituted as stock companies may provide prepaid health care services.

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<sup>4</sup> For greater certainty, this entry does not apply to hospital services, as established in the Schedules of Specific Commitments of Ecuador under the GATS (GATS/SC/98, GATS/SC/98/Suppl.1, and GATS/SC/98 /Suppl.2).

<b>14. Sector:</b>	Tourism and Travel-Related Services
<b>Sub-sector:</b>	
<b>Obligations Concerned:</b>	National Treatment (Article 8.2) Local Presence (Article 8.5)
<b>Level of Government:</b>	Central
<b>Measures:</b>	<p><i>Law on Tourism</i>, Chapter II “On Tourist Activities and those who carry them out”; Articles 8 and 9; Chapter VI “Touristic Protected Areas”, Article 24</p> <p><i>General Regulations to the Tourism Law</i>, Chapter II “On the Single Registry of Tourism”; Articles 47, 48, 49, 50, and 51; Chapter III “Temporary Permits”; Articles 52, 53 and 54; Chapter IV “Of the Annual Operating License, Articles 55, 56, 57, 59, 60, 61, 62, 63</p> <p><i>Tourist Guidance Regulation</i>, Title III “Of the Requirements for Registration and Obtaining the Tourist Guide Credential”, Articles 12, 13, 14, 15 and 16</p>
<b>Description:</b>	<p><u>Cross-Border Trade in Services</u></p> <p>Natural and juridical persons to apply for registration of tourism and obtain the operating license must be domiciled in Ecuador.</p> <p>For registration and obtaining a local tourist guide credential, it is required to certify residence of at least three years in the town where the activity will be carried out.</p> <p>The tourist operation in the natural areas, aquatic and terrestrial reserve areas, national parks and marine parks of Ecuador will be reserved for national shipowners and operators, and may be extended to foreigners who obtain the corresponding authorization.</p>

If they are juridical persons, they must be of Ecuadorian nationality or branches of foreign companies legally domiciled in Ecuador.

The aquatic vessels that operate in the national parks and marine reserve areas will be of Ecuadorian flag.

<b>15. Sector:</b>	Services Related to Museums and Conservation Services
<b>Sub-sector:</b>	Management services for archaeological and paleontological sites or areas
<b>Obligations Concerned:</b>	Local Presence (Article 8.5)
<b>Level of Government:</b>	Central
<b>Measures:</b>	<i>General Regulation on the Organic Law on Culture</i> ; Title V “Of the National Culture System”, Chapter IV “Of the National Cultural Heritage Institute”, Section Three “Of the special regime of cultural heritage” Article 71
<b>Description:</b>	<p><u>Cross-Border Trade in Services</u></p> <p>The National Institute of Cultural Heritage of Ecuador (<i>INPC</i>, acronym in Spanish) may delegate the management of archaeological and paleontological sites or areas to public or private institutions, domestic or foreign academic or educational institutions, provided that the latter are domiciled in the country.</p>



<b>16. Sector:</b>	Transport Services
<b>Sub-sector:</b>	Air Transport Services
<b>Obligations Concerned:</b>	National Treatment (Article 8.2) Local Presence (Article 8.5)
<b>Level of Government:</b>	Central
<b>Measures:</b>	<i>Aeronautical Code</i> : Title II “Of the Infrastructure of Aerodromes and Airports”, Chapter II “Construction and Operation”, Article 33
<b>Description:</b>	<u>Cross-Border Trade in Services</u>  Authorization to build and operate aerodromes will only be granted to Ecuadorian natural persons or legal entities domiciled in Ecuador.

<b>17. Sector:</b>	Air Transport
<b>Sub-sector:</b>	Aerial Work and Related Activities
<b>Obligations Concerned:</b>	National Treatment (Article 8.2)
<b>Level of Government:</b>	Central
<b>Measures:</b>	<p><i>Aeronautical Code</i>; Title VIII “Concessions and Operating Permits”, Chapter I “Generalities”, Article 109</p> <p><i>Regulations on Operating Permits for Air Work Services, Related Activities and Private Air Services</i>; Chapter I “Scope and Definitions”, Article 1; Chapter II “Requirements for Obtaining Operating Permits”, Article 5</p>
<b>Description:</b>	<p><u>Cross-Border Trade in Services</u></p> <p>Only national juridical persons may be eligible for an operating permit for aerial work or related activities.</p> <p>Aerial work services and related activities include: aerial aerophotography, firefighting, advertising flights, glider towing, parachute jumping, external cargo transport, aerial inspection and surveillance, fumigation, aerial spraying, predatory species control, rainfall control, air tourism, initial training schools for aeronautical personnel, aeronautical training centers; and aircraft construction and assembly.</p>

<b>18. Sector:</b>	Transport Services
<b>Sub-sector:</b>	Air Transport Services
<b>Obligations Concerned:</b>	National Treatment (Article 8.2)
<b>Level of Government:</b>	Central
<b>Measures:</b>	<p><i>Aeronautical Code</i>, Title IV "“Of the Aeronautical Personnel”", Chapter I "“Aeronautical Technical Personnel”", Articles 74, 75 and 76</p> <p><i>Law on Civil Aviation</i>, Title IV "“General Provisions”", Articles 45 and 46</p>
<b>Description:</b>	<p><u>Cross-Border Trade in Services</u><sup>5</sup></p> <p>In Ecuadorian companies, only aeronautical technical personnel of Ecuadorian nationality may carry out remunerated aeronautical activities in the country.</p> <p>The employment of foreign technicians or instructors of Ecuadorian technical personnel will be authorized, when necessary for the performance or improvement of an aeronautical service. These authorizations will be granted by the Directorate General for Civil Aviation or the authority that is designated competent, for a period not exceeding six months, that could be renewed for the same period, if the need persists and is verified. Within these deadlines, the hired personnel will have the obligation to give due training to the Ecuadorian personnel who will replace them.</p> <p>The above-mentioned conditions extend to any natural person legally authorized to carry out aeronautical activities in the country.</p> <p>Any national natural or legal person and foreign persons with an operations and maintenance</p>

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<sup>5</sup> For greater certainty, these measures apply exclusively to services covered under Article 8.1.4 (c), (i), (iv) and (v).

center in Ecuador will hire, as the case may be, Ecuadorian citizens for the services of pilots, on-board crew, technicians, professionals and administrative personnel.

The Directorate General for Civil Aviation may authorize the hiring of foreign personnel for the functions specified in the previous paragraph, only when it is reliably proven that there are no Ecuadorian technical personnel authorized and available for this purpose. The natural or legal person who hires foreign personnel is obliged to give due training to the Ecuadorian personnel who will replace it, within the period set by the aeronautical authority for each case.

<b>19. Sector:</b>	Transport Services
<b>Sub-sector:</b>	Road Transport Services
<b>Obligations Concerned:</b>	Market Access (Article 8.4) Local Presence (Article 8.5)
<b>Level of Government:</b>	Central
<b>Measures:</b>	<p><i>Organic Law on Land Transport, Traffic and Road Safety</i>, Book Two “Of the Automotive Land Transport”, Title II “Of the Transport Services”, Chapter I “Of the Classes of Land Transport Services”, Articles 55, 56, 57, 58 and 59; Title V “Of the Enabling Titles of Land Transport”, Chapter I “Generalities”, Articles 72, 73, 73.a, 74, 75 and 76</p> <p><i>Regulation on the Organic Law on Land Transport, Traffic and Road Safety</i>, Title II “Of the Ground Transportation Service”, Chapter I “Of the Constitution of Ground Transportation Companies and Cooperatives”; Chapter VIII “Enabling Titles of Ground Transportation”; Section I “General Information”, Articles 65, 66, 67, 68, 69, 70 and 71; Section II “Of the Requirements for Obtaining Enabling Titles” Articles 72, 73, 74 and 75</p>
<b>Description:</b>	<p><u>Cross-Border Trade in Services</u></p> <p>For the provision of road transport services in all its modalities, enabling titles will be required. Enabling road transport titles are the operating contracts, operating permits and authorizations which will be granted by the competent authority. Such enabling titles are subject to economic need tests.</p> <p>In the case of companies, the transport operators may be constituted, exclusively as private limited company, stock company or a mixed economy company. In the case of natural persons, it is required permanent residence.</p>

For clarity, the modes of road transport include: international transport, transport in national territory, cross-border transport, commercial transport, and transport on own account.

<b>20. Sector:</b>	Transport Services
<b>Sub-sector:</b>	Maritime Transport Services Inland Waterway Transport Services
<b>Obligations Concerned:</b>	National Treatment (Article 8.2) Most-Favored-Nation Treatment (Article 8.3)
<b>Level of Government:</b>	Central
<b>Measures:</b>	<p><i>General Law on Maritime and River Transport</i>, Article 7, letter d)</p> <p><i>Organic Law on Navigation, Safety Management, Maritime and River Protection in Aquatic Spaces</i>, Title II "Of navigation", Chapter IV "Of the formation and training of seafarers, fishing people and river personnel", Articles 64 and 75</p> <p><i>Regulation on Maritime Activity</i>, Chapter X "Of the Merchant Marine Personnel", Articles 102 and 103; Chapter XI "Registry of Merchant Marine Personnel" Article 110</p> <p>Resolution DIRNEA 017/17, "<i>Principles Related to the Minimum-Security Endowments of Ships</i>", Article 2</p> <p>Resolution No. MTOP-SPTM-2016-0102-R, "<i>Standards for Titling, Registration of Documents for Seafarers</i>", Chapter VII "Foreigners", Articles 43, 44, 45 and 46</p>
<b>Description:</b>	<p><u>Cross-Border Trade in Services</u></p> <p>Only natural persons residing or legal persons domiciled in Ecuador may register ships and naval artifacts of Ecuadorian flag.</p> <p>Ecuadorian-flagged ships and naval artifacts must be commanded by a Captain of Ecuadorian nationality, and the crew must be mostly Ecuadorian. The National Directorate of Aquatic Spaces (<i>DIRNEA</i>) or the authority that is designated as competent will authorize the hiring of foreign personnel for justified technical or</p>

operational reasons, in the case of ships whose management requires specialized functions and there is a lack of qualified Ecuadorian personnel available.

Ecuadorian-flagged vessels will only be under the command of captains of Ecuadorian nationality, with the exception of yachts or recreational boats that may be under the command of foreigners, if they are their owners, provided that they are authorized by the National Directorate of Aquatic Spaces (*DIRNEA*) or the authority that is designated as competent.

Foreign-flagged vessels of gross tonnage greater than or equal to 50 GRT, operating in Ecuadorian waters under an association contract, charter party for more than six months or in the process of nationalization must be manned by no less than 50 percent of Ecuadorian maritime personnel; and, in the case of ships under bareboat charter contract, no less than 70 percent, to occupy functions according to the minimum-security manning document. In both cases, the captain may be a foreigner.



<b>21. Sector:</b>	Maritime and River Transport
<b>Sub-sector:</b>	Ship Agent
<b>Obligations Concerned:</b>	Local Presence (Article 8.5)
<b>Level of Government:</b>	Central
<b>Measures:</b>	<p><i>General Law on Maritime and River Transport, Article 7, letter d)</i></p> <p><i>Organic Law on Navigation, Safety Management, Maritime and River Protection in Aquatic Spaces, Title II “Of navigation”, Chapter IV “Of the formation and training of seafarers, fishing people and river personnel”, Article 75</i></p> <p><i>Regulation on Maritime Activity; Chapter XII “Of the Agencies, Shipping Companies and Port Operators”, Articles 115 and 116; Chapter XIII “Of the Water Transport” Article 130</i></p> <p>Resolution No. MTOP-SPTM-2016-0126-R, “<i>Rules for the Correct Application of Chapter XII of the Regulation on Maritime Activity – Shipping Agencies</i>”, Article 3</p> <p>Resolution No. MTOP-SPTM-2016-0111-R; “<i>Rules for the Correct Application of Chapter XII of the Regulation on Maritime Activity – Shipowners</i>”</p>
<b>Description:</b>	<p><u>Cross-Border Trade in Services</u></p> <p>Only resident natural persons and legal persons domiciled in Ecuador may exercise activities as ship agents, for which they require an authorization granted by the Undersecretariat of Ports, Maritime and River Transport or the authority that is designated as competent.</p>

<b>22. Sector:</b>	Maritime and River Transport
<b>Sub-sector:</b>	Port Services
<b>Obligations Concerned:</b>	National Treatment (Article 8.2)
<b>Level of Government:</b>	Central
<b>Measures:</b>	<p><i>Regulation on Maritime Activity</i>; Chapter XII “Of the Agencies, Shipping Companies and Port Operators”, Chapter XIII “Of the Water Transport”</p> <p>Resolution No. MTOP-SPTM-2016-0060-R, “<i>Rules that regulate port services in Ecuador</i>”, Articles 4, 5 and 6</p>
<b>Description:</b>	<p><u>Cross-Border Trade in Services</u></p> <p>Only national juridical persons can provide port services, for which they must obtain the respective registration.</p> <p>For greater certainty, this entry applies to specialized technical services provided in the port area to assist ships or naval artifacts, cargo, and passengers.</p>

<b>23. Sector:</b>	Maritime Transport
<b>Sub-sector:</b>	All sectors
<b>Obligations Concerned:</b>	National Treatment (Article 8.2)
<b>Level of Government:</b>	Central
<b>Measures:</b>	<p><i>Regulation on Maritime Activity</i>, Chapter XIII “Water Transport”, Article 125</p> <p><i>Law on Export and Water Transport Facilitation</i>, Chapter II “Water Transport”, Article 16</p> <p>Resolution No. MTOP-SPTM-2021-0034-R, <i>Regulations for the application of Chapter IX of the Regulation on Maritime Activity regarding the issuance of the national and international traffic permit, internal trajectory and exceptional authorizations, for Ecuadorian flag vessels and foreign flag vessels sailing in national waters</i>; Chapter VI “Exceptional authorization for the provision of transport services for foreign-flagged vessels”, Articles 26, 27, 28 and 29</p>
<b>Description:</b>	<p><u>Cross-Border Trade in Services</u></p> <p>The internal water transport of passengers and cargo is reserved exclusively for Ecuadorian-flagged vessels.</p> <p>An exceptional authorization may be granted to foreign-flagged vessels for the provision of internal water transport services for passengers and cargo.</p>

<b>24. Sector:</b>	Maritime Transport
<b>Sub-sector:</b>	Hydrocarbons loading, unloading and storage
<b>Obligations Concerned:</b>	National Treatment (Article 8.2) Most-Favored-Nation Treatment (Article 8.3) Market Access (Article 8.4)
<b>Level of Government:</b>	Central
<b>Measures:</b>	<i>Law on Export and Water Transport Facilitation</i> , Chapter II “Water Transport”, Articles 14 and 15
<b>Description:</b>	<u>Cross-Border Trade in Services</u>  The loading, unloading and storage of hydrocarbons, except by the principle of reciprocity, is assigned exclusively to national companies, Ecuadorian State enterprises or mixed shipping companies in which the Ecuadorian State has a participation of at least 51 percent of the share capital.

<b>25. Sector:</b>	Transportation Services
<b>Sub-sector:</b>	International Maritime Transport
<b>Obligations Concerned:</b>	National Treatment (Article 8.2) Most-Favored-Nation Treatment (Article 8.3) Market Access (Article 8.4)
<b>Level of Government:</b>	Central
<b>Measures:</b>	<i>Law on Export and Water Transport Facilitation</i> , Official Gazzette 901 of 25 March 1992, Chapter II "Water Transport", Articles 13 and 14  <i>Regulation on Maritime Activity</i> , Chapter XIII " Of the Water Transport", Articles 120, 121, 122, and 123
<b>Description:</b>	<u>Cross-Border Trade in Services</u>

In international maritime transport to and from Ecuador, the principle of effective reciprocity shall be complied with. Effective reciprocity is understood as the access that foreign vessels have for the transport of import and export cargo that Ecuador generates, under the same conditions of access that are granted to ships of Ecuadorian flag or to ships chartered or operated by national shipping companies, by the respective foreign country.

The Undersecretariat of Ports and Maritime and River Transport may temporarily establish restrictions against companies or vessels flying the flag of third countries, when the counterpart countries impose them on ships owned, chartered or operated by Ecuadorian shipping companies. In any case, free competition in export shipping will not be affected. The adoption of restrictive, exclusionary or cargo reservation measures, when the principle of reciprocity has been restricted by another country, may be requested by the national shipping companies concerned.

Reciprocal and proportional restrictions will be imposed against foreign shipping companies,

when the Ecuadorian shipping company has limitations for the transport of import cargo from the country to which the foreign shipping company belongs, or of import or export cargo of such country from third countries.

The restrictions will be partial or total, depending on the restrictions on cargo access imposed by other countries, which means that the foreign shipping company may continue in traffic to or from Ecuador, but limited in the same proportion as the Ecuadorian shipping company.

Traffic exclusions entail the prohibition of entry into Ecuador of vessels of foreign companies belonging to the country that also prevent the free participation of Ecuadorian shipping companies in traffic with that country or in traffic between that country and third countries.