

Annex II 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 specific sectors, sub-sectors, or activities for which that Party may maintain existing, or adopt new or more restrictive, measures that do not conform with 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 8.6.2, do not apply to the sectors, sub-sectors, or activities scheduled in the entry;
- (d) **Level of Government** indicates the level of government maintaining the measures, on which a reservation is taken;
- (e) **Description** sets out the scope of the sectors, sub-sectors, or activities covered by the entry; and
- (f) **Existing Measures** identifies, for transparency purposes, existing measures that apply to the sectors, sub-sectors, or activities covered by the entry.

3. In accordance with Article 8.6 (Non-Conforming Measures), the articles of this Agreement specified in the **Obligations Concerned** element of an entry do not apply to the sectors, sub-sectors, and activities identified in the **Description** element of that entry.

4. In the interpretation of a Schedule entry, all elements of the entry shall be considered. The **Description** element shall prevail over the other elements.

1. Sector:	Certain Sectors
Sub-sector:	
Obligations Concerned:	National Treatment (Article 8.2) Most-Favored-Nation Treatment (Article 8.3) Local Presence (Article 8.5)
Level of Government:	Central
Description:	<u>Cross-Border Trade in Services</u> Ecuador reserves the right to adopt or maintain any measure on: <ul style="list-style-type: none">(a) universal postal service;(b) pipeline transportation services;(c) oil pipelines, facilities and terminals;(d) veterinary services; and(e) primary, secondary, and higher education services.

2. Sector:	Rail Transport Services
Sub-sector:	
Obligations Concerned:	Market Access (Article 8.4) ¹ Local Presence (Article 8.5) National Treatment (Article 8.2) Most-Favored-Nation Treatment (Article 8.3)
Level of Government:	Central
Description:	<u>Cross-Border Trade in Services</u> Ecuador reserves the right to adopt or maintain any measure related to rail transport services considered cultural and historical heritage, excluding transport services by modern railways.

¹ For greater certainty, Market Access limitations will not apply to sectors related to Rail Transport Services established in Appendix II-A.

3. Sector:	Minority and Indigenous Group Issues
Sub-sector:	
Obligations Concerned:	Market Access (Article 8.4) Local Presence (Article 8.5) National Treatment (Article 8.2) Most-Favored-Nation Treatment (Article 8.3)
Level of Government:	Central
Description:	<u>Cross-Border Trade in Services</u> Ecuador reserves the right to adopt or maintain any measure that grants rights or preferences to disadvantaged social or economic groups or to indigenous groups.

4. Sector:	Ancestral Territories
Sub-sector:	
Obligations Concerned:	Market Access (Article 8.4) Local Presence (Article 8.5) National Treatment (Article 8.2)
Level of Government:	Central
Description:	<u>Cross-Border Trade in Services</u> Ecuador reserves the right to adopt or maintain measures that regulate the possession, transfer, and conservation of the renewable natural resources of ancestral territories.
Existing Measures:	<i>Constitution of the Republic of Ecuador</i> , Title II “Rights” Second Chapter “Rights of Good Living”, Fourth Chapter “Rights of communities, peoples and nationalities”, Title VI “Development Regime”, Third Chapter “Food Sovereignty”.

5. Sector:	All Sectors
Sub-sector:	
Obligations Concerned:	Market Access (Article 8.4) National Treatment (Article 8.2) Local Presence (Article 8.5)
Level of Government:	Central
Description:	<u>Cross-Border Trade in Services</u> Cultural heritage and natural heritage: Ecuador reserves the right to adopt or maintain any measure that grants rights or preferences to local communities with respect to the support, advancement, promotion and development of expressions related to intangible cultural heritage. Likewise, it reserves the right to adopt or maintain any measure that grants rights or preferences to local communities with respect to the protection, conservation, recovery and promotion of the natural heritage of Ecuador. The national heritage of Ecuador is understood as the set of physical, biological and geological formations that represent a value from the environmental, scientific, cultural or landscape point of view, and that include the national system of protected areas and the fragile and threatened ecosystems.
Existing Measures:	<i>Constitution of the Republic of Ecuador</i> , Title VII “Good Living Regime”, Chapter I “Inclusion and Equity”, Section Five “Culture”, Chapter II “Biodiversity and Natural Resources”.

6. Sector:	All sectors
Sub-sector:	
Obligations Concerned:	Most-Favored-Nation Treatment (Article 8.3)
Level of Government:	Central
Description:	<u>Cross-Border Trade in Services</u>

Ecuador reserves the right to adopt or maintain any measure that accords differential treatment to countries under any bilateral or multilateral international agreement in force or signed prior to the date of entry into force of this Agreement.

Ecuador reserves the right to adopt or maintain any measure that accords differential treatment to countries under any bilateral or multilateral international agreement in force or signed after the date of entry into force of this Agreement in the matter of:

- (a) aviation;
- (b) fishing; and
- (c) maritime matters, including salvage.

7. Sector: Social and Healthcare Services

Sub-sector:

Obligations Concerned: Market Access (Article 8.4)
National Treatment (Article 8.2)
Most-Favored-Nation Treatment (Article 8.3)
Local Presence (Article 8.5)

Level of Government: Central

Description: Cross-Border Trade in Services

Ecuador reserves the right to adopt or maintain any measure related to the execution of public laws, and the provision of the following services, to the extent that they are social services that are established or maintained for reasons of public interest: social rehabilitation, unemployment insurance, social security services or insurance, social welfare, education and public training, health and care for children, people with disabilities and the elderly.

8. Sector:	All sectors
Sub-sector:	
Obligations Concerned:	National Treatment (Article 8.2) Market Access (Article 8.4) Local Presence (Article 8.5)
Level of Government:	Central and Local
Description:	<u>Cross-Border Trade in Services</u> Considering that the province of Galapagos has a government of special regime and that its planning and development are organized according to a strict adherence to the principles of conservation of the natural heritage of the Ecuadorian State, Ecuador reserves the right to maintain and adopt any measure with respect to the special regime of the province of Galapagos regarding granting tourist operation permits, hiring personnel, and infrastructure and environmental protection, among others.
Existing Measures:	<i>Constitution of the Republic of Ecuador</i> <i>Law on Tourism</i> <i>Organic Law of Special Regime for the Province of Galapagos</i> <i>General Regulation to the Law on Tourism</i>

9. Sector:	Communication Services
Sub-sector:	Broadcasting and Telecommunications Services
Obligations Concerned:	Market Access (Article 8.4) National Treatment (Article 8.2) Most-Favored-Nation Treatment (Article 8.3) Local Presence (Article 8.5)
Level of Government:	Central
Description:	<u>Cross-Border Trade in Services</u> Ecuador reserves the right to adopt or maintain any measure with respect to Internet Protocol-based Television (IPTV) and Interactive Broadcasting.

10. Sector:	Arts and Cultural Industries
Sub-sector:	
Obligations Concerned:	Most-Favored-Nation Treatment (Article 8.3)
Level of Government:	Central
Description:	<u>Cross-Border Trade in Services</u>

Ecuador reserves the right to adopt or maintain any measure that accords differential treatment to countries under any existing or future bilateral or multilateral international treaty with respect to cultural industries, such as audiovisual co-production agreements. For greater certainty, government support programs, through subsidies, for the promotion of cultural activities are not subject to the limitations or obligations of this Agreement.

For the purposes of this entry, “cultural industries” includes persons involved in any of the following activities:

- (a) publication, distribution or sale of books, magazines, periodicals or newspapers in printed or machine-readable form, but not including the sole printing or typesetting activity of any of the foregoing;
- (b) production and presentation of performing arts;
- (c) production and exhibition of visual arts;
- (d) publication, distribution or sale of music in printed or legible form by any means;
- (e) design, production, distribution and sale of handicrafts;

- (f) broadcasting to the general public, as well as all activities related to radio, television and cable transmission, and satellite programming services and transmission network services; and
- (g) creation and design of advertising content.

11. Sector:	Public Services and Strategic Sectors ²
Sub-sector:	
Obligations Concerned:	National Treatment (Article 8.2) Market Access (Article 8.4) Local Presence (Article 8.5) Most-Favored-Nation Treatment (Article 8.3)
Level of Government:	Central
Description:	<u>Cross-Border Trade in Services</u> Ecuador reserves the right to adopt or maintain any measure concerning concessions, permits, and authorizations for economic activities or services considered public services or strategic sectors under Ecuadorian law. Ecuador also reserves the right to adopt or maintain any measure related to public institutions and companies that, as legally mandated, provide any public service and manage any strategic sector and any measure related to state monopolies created by law or granted in administration.
Existing Measures:	<i>Constitution of the Republic of Ecuador</i> , Title VI “Development Regime”; Chapter V “Strategic sectors, services, and state enterprises.”

² **Public services include:** Public services for drinking water and irrigation, sanitation, electricity, roads, port and airport infrastructures.

Strategic sectors are considered: energy in all its forms, non-renewable natural resources (except mining), transportation and refining of hydrocarbons, the radio spectrum, water.

12. Sector: Firearms, Ammunition, Explosives, and Similar Devices

Sub-sector:

Obligations Concerned: National Treatment (Article 8.2)
Local Presence (Article 8.5)
Most-Favored-Nation Treatment (Article 8.3)

Level of Government: Central

Description: Cross-Border Trade in Services

Ecuador reserves the right to adopt or maintain any measure concerning the firearms, ammunition, explosives, and similar devices sector, including the use, sale, storage, transportation, import, export, and possession of firearms, ammunition, explosives, and similar devices.

13. Sector: Warship, Fighter Aircraft and Other Transport Equipment for Similar Use

Sub-sector:

Obligations Concerned: National Treatment (Article 8.2)
Local Presence (Article 8.5)
Most-Favored-Nation Treatment (Article 8.3)

Level of Government: Central

Description: Cross-Border Trade in Services

Ecuador reserves the right to adopt or maintain any measure concerning warships, fighter aircraft, and other transportation equipment for similar use, including their sale, storage, transportation, import, and export.

14. Sector:	Handicraft Industries
Sub-sector:	
Obligations Concerned:	National Treatment (Article 8.2)
Level of Government:	Central
Description:	<u>Cross-Border Trade in Services</u> Ecuador reserves the right to adopt or maintain any measure related to the design, distribution, retail, or display of handicrafts identified as Ecuadorian handicrafts.

15. Sector: Land and River Transportation Services

Sub-sector:

Obligations Concerned: Most-Favored-Nation Treatment (Article 8.3)

Level of Government: Central

Description: Cross-Border Trade in Services

Ecuador reserves the right to adopt or maintain any measure that grants differential treatment to countries under any bilateral or multilateral international agreement signed after the entry into force of this Agreement.

16. Sector:	Leisure, Cultural and Sports Services
Sub-sector:	Gambling
Obligations Concerned:	National Treatment (Article 8.2) Most-Favored-Nation-Treatment (Article 8.3) Market Access (Article 8.4) Local Presence (Article 8.5)
Level of Government:	Central
Description:	<u>Cross-Border Trade in Services</u> Ecuador reserves the right to adopt or maintain any measure relating to the provision of gambling services in places such as casinos, betting houses, gaming halls, among others.
Existing Measures:	Executive Decree 873 " <i>Regulation of Transitional Regime of the Games of Chance Practiced in Casinos and Gaming Rooms</i> ".

17. Sector:	All
Sub-sector:	
Obligations Concerned:	Market Access (Article 8.4)
Level of Government:	Central
Description:	<u>Cross-Border Trade in Services</u>

Ecuador reserves the right to adopt or maintain any measure that is not inconsistent with the Ecuador's obligations under Article XVI of the General Agreement on Trade in Services as set out in the Ecuador's Schedule of Specific Commitments under the GATS (GATS/SC/98, GATS/SC/98/Suppl.1, and GATS/SC/90/Suppl.2).

For purposes of this entry only, Ecuador's Schedule is subject to the following modifications:

- (a) for any sector and sub-sector with regard to which Ecuador's Annex I contains an entry (other than an entry with regard to "All Sectors") that does not list Market Access as one in the Obligations Concerned element, "None" is inscribed in the Market Access column for modes 1 and 2, and "Unbound except as indicated in the Horizontal commitments section" is inscribed for mode 4;
- (b) for any sector and sub-sector with regard to which Ecuador's Annex I contains an entry (other than an entry with regard to "All Sectors") that lists a limitation to the Market Access obligation, that limitation is inscribed in the Market Access column with regard to the appropriate mode of supply; and

- (c) for any sector and sub-sector listed in Appendix II-A, Ecuador's Schedule is modified as indicated in the Appendix II-A.

These modifications shall not affect any limitation relating to subparagraph (f) of paragraph 2 of Article XVI of GATS inscribed in the Market Access column of Ecuador's Schedule.

For greater certainty, an entry of "None" in the Market Access column of Ecuador's Schedule shall not be construed to alter the application of Article 8.5 (Local Presence) as modified by Article 8.6 (Non-Conforming Measures).

APPENDIX II-A

For the following Sectors, Ecuador's obligations under Article XVI of the General Agreement on Trade in Services as set out in the Ecuador's Schedule of Specific Commitments under the GATS (GATS/SC/98, GATS/SC/90/Suppl.1, and GATS/SC/98/Suppl.2) are improved as described.

Sector/Sub-sector	Market Access Improvements
1. BUSINESS SERVICES	
A. Professional Services³	
k Other services Religious services (CPC 95910).	Insert new commitments with "None" for modes 1 and 2, and "Unbound except as indicated in the Horizontal Commitments section." for mode 4.
B. Computer and Related Services	
a Consultancy services related to the installation of computer hardware (CPC 841).	Insert new commitments with "None" for modes 1 and 2, and "Unbound except as indicated in the Horizontal Commitments section." for mode 4.
e Maintenance and repair services of office machinery and equipment including computers (CPC 845) Other computer services (CPC 849)	Insert new commitments with "None" for modes 1 and 2, and "Unbound except as indicated in the Horizontal Commitments section." for mode 4.
C. Research and Development Services	
a Research and development services on natural sciences (CPC 851)	Insert new commitments with "None" for modes 1 and 2, and "Unbound except as indicated in the Horizontal Commitments section." For mode 4.
b Research and development services on social sciences and humanities (CPC 852)	Insert new commitments with "None" for modes 1 and 2, and "Unbound except as indicated in the Horizontal Commitments section." for mode 4.
c Interdisciplinary research and development services (CPC 853)	Insert new commitments with "None" for modes 1 and 2, and "Unbound except as indicated in the Horizontal Commitments section." for mode 4.
D. Real Estate Services	

³ To practice a profession in Ecuador, it is necessary to have a degree recognized or revalidated by the competent authority. There are special requirements that health professionals must meet.

Sector/Sub-sector	Market Access Improvements
a Real estate services involving owned or leased property (CPC 821).	Insert new commitments with “None” for modes 1 and 2, and “Unbound except as indicated in the Horizontal Commitments section.” for mode 4.
E. Leasing or Rental Services without Operator.	
a Leasing or rental services, with or without purchase option, concerning private cars without operator (CPC 83101).	Insert new commitments with “None” for modes 1 and 2, and “Unbound except as indicated in the Horizontal Commitments section.” for mode 4.
b Leasing or rental services, with or without purchase option, concerning vessels without operator (CPC 83103).	Insert new commitments with “None” for modes 1 and 2, and “Unbound except as indicated in the Horizontal Commitments section.” for mode 4.
Leasing or rental services, with or without purchase option, concerning agricultural machinery and equipment without operator (CPC 83106)	Insert new commitments with “None” for modes 1 and 2, and “Unbound except as indicated in the Horizontal Commitments section.” for mode 4.
Leasing or rental services, with or without purchase option, concerning televisions, radios, video cassette recorders and related equipment and accessories (CPC 83201).	Insert new commitments with “None” for modes 1 and 2, and “Unbound except as indicated in the Horizontal Commitments section.” for mode 4.
F. Other Business Services	
b Market research and public opinion polling services (CPC 864)	Insert new commitments with “None” for modes 1 and 2, and “Unbound except as indicated in the Horizontal Commitments section.” for mode 4.
d Services related to management consulting (CPC 866)	Insert new commitments with “None” for modes 1 and 2, and “Unbound except as indicated in the Horizontal Commitments section.” for mode 4.
f Services incidental to agriculture, hunting and forestry - Services incidental to agriculture (CPC 8811 limited to professional services related to agriculture) - Services incidental to animal husbandry (CPC 8812 limited to professional services related to animal husbandry)	Insert new commitments with “None” for modes 1 and 2, and “Unbound except as indicated in the Horizontal Commitments section.” for mode 4.

Sector/Sub-sector	Market Access Improvements
- Services incidental to forestry and logging (CPC 8814)	
n Maintenance and repair services for equipment (excluding vessels, aircraft and other transport equipment) - Repair services of machinery and equipment n.e.c., on a fee or contract basis (CPC 8862) - Repair services of medical, precision and optical instruments, watches and clocks, on a fee or contract basis (CPC 8866)	Insert new commitments with “None” for modes 1 and 2, and “Unbound except as indicated in the Horizontal Commitments section.” for mode 4.
o Building-cleaning services (CPC 874)	Insert new commitments with “None” for modes 1 and 2, and “Unbound except as indicated in the Horizontal Commitments section.” for mode 4.
p Photographic services - Photography processing services (CPC 87505) - Motion picture processing services not related to the motion picture and television industries (CPC 87506)	Insert new commitments with “None” for modes 1 and 2, and “Unbound except as indicated in the Horizontal Commitments section.” for mode 4.
q Packaging services (CPC 876)	Insert new commitments with “Unbound” for modes 1 and 2, and “Unbound except as indicated in the Horizontal Commitments section” for mode 4.
s Services provided on the occasion of assemblies or conventions (CPC 87909*)	Insert new commitments with “Unbound” for mode 1, “None” for mode 2 and “Unbound except as indicated in the Horizontal Commitments section” for mode 4.
t Others - Specialty design services (CPC 87907)	Insert new commitments with “None” for modes 1 and 2, and “Unbound except as indicated in the Horizontal Commitments section” for mode 4.
Engineering design services (CPC 86725)	Insert new commitments “None” for modes 1 and 2, and “Unbound except as indicated in the Horizontal Commitments section” for mode 4.

Sector/Sub-sector	Market Access Improvements
Photocopying and similar services (CPC 87904)	Insert new commitments “None” for modes 1 and 2, and “Unbound except as indicated in the Horizontal Commitments section” for mode 4.
Translation and interpretation services (CPC 87905)	Insert new commitments “None” for modes 1 and 2, and “Unbound except as indicated in the Horizontal Commitments section” for mode 4.
Laundry collection services (CPC 97011)	Insert new commitments with “Unbound” for mode 1, “None” for mode 2 and “Unbound except as indicated in the Horizontal Commitments section” for mode 4.
2. COMMUNICATION SERVICES	
D. Audiovisual services	
a Motion picture and video tape production and distribution services (CPC 9611), (Excluding CPC 96111)	Insert new commitments with “None” for modes 1 and 2, and “Unbound except as indicated in the Horizontal Commitments section” for mode 4.
e Sound recording	Insert new commitments with “None” for modes 1 and 2, and “Unbound except as indicated in the Horizontal Commitments section” for mode 4.
3. Construction and Related Engineering Services	
A. General construction work for buildings (CPC 512) excluding construction work for: one- and two-dwelling buildings; multi-dwelling buildings and educational buildings. (CPC 5121, 5122, and 5127).	Insert new commitments with “None” for modes 1 and 2, and “Unbound except as indicated in the Horizontal Commitments section” for mode 4
B. General construction work for civil engineering (CPC 513)	Insert new commitments with “None” for modes 1 and 2, and “Unbound except as indicated in the Horizontal Commitments section” for mode 4
C. Installation and assembly work (CPC 514 + 516)	Insert new commitments with “None” for modes 1 and 2, and “Unbound except as indicated in the Horizontal Commitments section” for mode 4
E. Other (CPC 511+515+518)	Insert new commitments “None” for modes 1 and 2, and “Unbound except as

Sector/Sub-sector	Market Access Improvements
	indicated in the Horizontal Commitments section” for mode 4.
4. Distribution Services	
A. Commission agents' services (CPC 621) B. Wholesale trade services (CPC 622) C. Retailing services (CPC 631 + 632 + 6111 + 6113 + 6121) D. Franchising (CPC 8929)	Insert new commitments “None” for modes 1 and 2, and “Unbound except as indicated in the Horizontal Commitments section” for mode 4.
5. EDUCATIONAL SERVICES	
D. Adult education services (CPC 924)	Insert new commitments with “None” for modes 1 and 2, and “Unbound except as indicated in the Horizontal Commitments section” for mode 4.
10. RECREATIONAL, CULTURAL AND SPORTING SERVICES (other than audiovisual services)	
D. Sporting and other recreational services (CPC 964) (excluding betting, and gambling) On-Line Game Services	Insert new commitments with “None” for modes 1 and 2, and “Unbound except as indicated in the Horizontal Commitments section” for mode 4.
11. TRANSPORT SERVICES	
E. Rail Transport Services	
Passenger and freight transportation (CPC 7111 + 7112)	Insert new commitments with “Unbound” for mode 1, “None” for mode 2 and “Unbound” except as indicated in the Horizontal Commitments section” for mode 4.
e Supporting services for rail transport services (CPC 743)	Insert new commitments with “Unbound” for modes 1 and 2, and “Unbound” except as indicated in the Horizontal Commitments section” for mode 4.
d Other (CPC 749)	Insert new commitments with “Unbound” for modes 1 and 2, and “Unbound” except as indicated in the Horizontal Commitments section” for mode 4.
12. OTHER SERVICES	
- Footwear and leather goods	Insert new commitments with “None”

Sector/Sub-sector	Market Access Improvements
repair services (CPC 63301) - Repair services of electrical household appliances (CPC 63302) - Watches, clocks and jewelry repair services (CPC 63303) - Watches, clocks and jewelry specialized repair services (CPC 63303) - Helmet repair and cleaning services (CPC 63304) - Bicycle repair services (CPC 63309) - Locksmith trade (CPC 63309)	for modes 1 and 2, and “Unbound except as indicated in the Horizontal Commitments section” for mode 4.