

ANNEX II

RESERVATIONS FOR FUTURE MEASURES

SCHEDULE OF THE STATE OF ISRAEL

EXPLANATORY NOTE

1. Israel's schedule to this Annex sets out, pursuant to subparagraph 2 of Article 8.7 (Non-Conforming Measures) and 9.8 (Non-Conforming Measures), the specific sectors, sub-sectors or activities for which Israel may maintain existing, or adopt new or more restrictive, measures that do not conform with obligations imposed by:
 - (a) Article 8.3 (National Treatment) or 9.4 (National Treatment);
 - (b) Article 8.4 (Most-Favored-Nation Treatment) or 9.5 (Most-Favored-Nation Treatment);
 - (c) Article 8.5 (Market Access);
 - (d) Article 8.6 (Local Presence);
 - (e) Article 9.6 (Performance Requirements); or
 - (f) Article 9.7 (Senior Management and Board of Directors)
2. Each Schedule entry sets out the following elements:
 - (a) “**Sector**” refers to the sector for which the entry is made;
 - (b) “**Sub-Sector**”, where referenced, refers to the specific sub-sector for which the entry is made;
 - (c) “**Industry Classification**”, where referenced, and only for transparency purposes, refers to the activity covered by the non-conforming measure, according to domestic or international industry classification codes;
 - (d) “**Obligations Concerned**” specifies the obligations referred to in paragraph 1 that, pursuant to paragraph 2 of Article 8.7 (Non-Conforming Measures) and paragraph 2 of Article 9.8 (Non-Conforming Measures) do not apply to the sectors, sub-sectors or activities listed in the entry;
 - (e) “**Description**” sets out the scope or nature of the sectors, sub-sectors or activities covered by the entry; and
 - (f) “**Existing Measures**”, where specified, identifies, for transparency purposes, a non-exhaustive list of existing measures that apply to the sectors, sub-sectors or activities covered by the entry.
3. In the interpretation of an entry, all elements of the entry shall be considered. The “Description” element shall prevail over all other elements.
4. For the purposes of this Annex the term “CPC” means Provisional Central Product Classification (Statistical Papers Series M No. 77, Department of International Economic and Social Affairs, Statistical Office of the United Nations, New York, 1991).
5. In case of any inconsistency between Scheduled Entry No. 50 and any other scheduled entry, the latter shall prevail.

6. In case Israel will use Entry No. 8 (d) mutual recognition in different fields, this same Entry shall become applicable for Viet Nam as well.

- 1 Sector: All
- Obligations Concerned: National Treatment (Articles 8.3 and 9.4)
- Market Access (Article 8.5)
- Local Presence (Article 8.6)
- Performance Requirements (Article 9.6)
- Senior Management and Board of Directors (Article 9.7)
- Description: **Cross-Border Trade in Services and Investment**
Israel reserves the right to adopt or maintain any measure to promote policy objectives for the benefit of socially or economically disadvantaged groups, including, minorities, disabled persons, military veterans and first-degree family members of Israeli fallen soldiers and the development of its peripheral areas.

2	Sector:	All
	Sub-Sector:	Privatization
	Obligations Concerned:	National Treatment (Articles 8.3 and 9.4) Market Access (Article 8.5) Local Presence (Article 8.6) Performance Requirements (Article 9.6) Senior Management and Board of Directors (Article 9.7)

Description:

Cross-Border Trade in Services and Investment

1. When transferring or disposing of its equity interests in, or the assets of, a state enterprise or a governmental entity, Israel reserves the right to:
 - (a) prohibit or impose limitations on the ownership of such interests or assets by investors or investments;
 - (b) impose limitations on the ability of investors or investments as owners of such interests or assets to control any resulting enterprise;
 - (c) adopt or maintain any measure relating to the nationality or permanent residency of members of the board of directors, position holders or certain officers of any resulting enterprise; or
 - (d) impose limitations on the location of management, main operations and center of business of any resulting enterprise.

Note: For the purposes of this Schedule entry, "position holder" is the director general, chief business officer, deputy director general, vice director general or any persons in equivalent positions, member of the board of directors or other officers who directly report to the director general, as defined in Article 1 of the *Companies Law*, 1999. Further it is understood that director general is an equivalent position to chief executive officer.

2. In the event where the supply of services, which is restricted to designated enterprises or governmental entities, is liberalized to those other than the designated enterprises or governmental entities, or in the event where such designated enterprises or

governmental entities no longer operate on a non-commercial basis, Israel reserves the right to adopt or maintain any measure related to those activities.

Existing Measures: *Government Companies Law* (including Special State Share), 1975

Government Companies Order (Announcement on Essential State Interests in Ashot Ashkelon Industries Ltd.), 2005

Government Companies Order (Announcement on Essential State Interests in Oil Refineries Ltd.), 2007

Government Companies Order (Announcement on Essential State Interests in Oil Refinery – Ashdod Ltd.), 2006

Government Companies Order (Announcement on Essential State Interests in El-Al Israel Airlines Ltd.), 2004

Government Companies Order (Announcement on Essential State Interests in IMI Systems Ltd.), 2016

Special State Share in Israel Chemicals Ltd. and in its Subsidiary Companies

Special State Share in Zim Integrated Shipping Services Ltd.

Special State Share in El-Al Israel Airlines Ltd.

3	Sector:	All
	Sub-Sector:	Concessions, Licenses
	Obligations Concerned:	Market Access (Article 8.5) Performance Requirements (Article 9.6)
	Description:	Cross-Border Trade in Services and Investment Israel reserves the right to adopt or maintain any measure in granting concessions and exclusive licenses.

4	Sector:	All
	Sub-Sector:	
	Obligations Concerned:	Performance Requirements (Article 9.6) Senior Management and Board of Directors (Article 9.7)
	Description:	<p>Investment</p> <ol style="list-style-type: none"> 1. Members of the board of directors, position holders and certain officers in public bodies as defined in <i>Security of Public Bodies Law</i>, 1998, and persons in certain positions with cyber security responsibilities, are required to be nationals or residents of Israel and to hold appropriate security clearances. 2. Israel reserves the right to demand the imposition or enforcement of the purchase or use of goods produced or services provided in its Territory, when the demand is mainly related to cyber security and is in conformance with national cyber security policy. <p>Note: For the purposes of this Schedule entry, “position holder” is the director general, chief business officer, deputy director general, vice director general or any persons in equivalent positions, member of the board of directors or other officers who directly report to the director general, as defined in Article 1 of the <i>Companies Law</i>, 1999. Further it is understood that director general is an equivalent position to chief executive officer.</p>
	Existing Measures:	<p><i>Security of Public Bodies Law</i>, 1998</p> <p><i>Government Decision 2443</i> of 2015</p> <p><i>Government Decision 2444</i> of 2015</p>

5	Sector:	All
	Sub-Sector:	
	Obligations Concerned:	National Treatment (Articles 8.3 and 9.4) Most-Favored- Nation Treatment (Articles 8.4 and 9.5) Market Access (Article 8.5) Performance Requirements (Article 9.6) Senior Management and Board of Directors (Article 9.7)
	Description:	Investment Israel reserves the right to adopt or maintain any measure with respect to an investment to supply a service in the exercise of governmental authority.

6	Sector:	All
	Sub-Sector:	
	Obligations Concerned:	Most-Favored- Nation Treatment (Articles 8.4 and 9.5)
	Description:	<p>Cross-Border Trade in Services and Investment</p> <ol style="list-style-type: none">1. Israel reserves the right to adopt or maintain any measure that accords differential treatment to services suppliers or investors of other countries or their investments under any bilateral or multilateral international agreement in force or signed prior to the date of entry into force of this Agreement.2. Israel reserves the right to adopt or maintain any measure that accords differential treatment to services suppliers or investors of other countries or their investments under any bilateral or multilateral international agreement in force or signed after the date of entry into force of this Agreement.3. The treatment referred to in paragraph 2, with regards to the Most-Favored-Nation Treatment provision in Chapter 9 (Investment), does not include the treatment with respect to the management, maintenance, use, enjoyment or disposal of investments in its territory.

7	Sector:	Defense Industry
	Sub-Sector:	
	Obligations Concerned:	National Treatment (Article 9.4) Most-Favored- Nation Treatment (Article 9.5) Performance Requirements (Article 9.6) Senior Management and Board of Directors (Article 9.7)
	Description:	Investment Israel reserves the right to adopt or maintain any measure with regard to the defense industry sector.
	Existing Measures:	<i>Defense Export Control Law, 2007</i> <i>Defense Corporations Law, 2005</i>

8	Sector:	All
	Sub-Sector:	
	Obligations Concerned:	Most-Favored- Nation Treatment (Articles 8.4 and 9.5)
	Description:	<p>Cross-Border Trade in Services and Investment</p> <p>Israel reserves the right to adopt or maintain any measure that accords differential treatment to countries under any bilateral or multilateral agreement or arrangement regarding:</p> <ul style="list-style-type: none"> (a) aviation; (b) maritime matters, including search and rescue and salvage; (c) co-production and distribution in film, video and television; (d) mutual recognition in different fields; or (e) cooperation in aeronautics and space.

9	Sector:	All
	Sub-Sector:	
	Obligations Concerned:	Market Access (Article 8.5)
	Description:	Cross-Border Trade in Services and Investment <u>Public monopolies</u> Services considered as public utilities may be subject to public monopolies. Public utilities exist in sectors such as communications, technical testing and analysis services, water transmission, environmental services, services incidental to forestry and logging, health services and transport services.
	Existing Measures:	

10 Sector: Land and Real Estate
Sub-Sector:
Obligations Concerned: National Treatment (Article 9.4)
Description: **Investment**
The acquisition of rights to land and real estate by foreign nationals or companies controlled by foreign nationals is subject to the prior approval of the Israel Land Authority Council
Existing Measures: *Israel's Land Law, 1960*

11	Sector:	Gambling and Betting Services
	Sub-Sector:	
	Obligations Concerned:	National Treatment (Articles 8.3 and 9.4) Market Access (Article 8.5) Local Presence (Article 8.6) Performance Requirements (Article 9.6) Senior Management and Board of Directors (Article 9.7)
	Description:	Cross-Border Trade in Services and Investment Israel reserves the right to adopt or maintain any measure with regard to gambling and betting services.

12	Sector:	Human Health
	Sub-Sector:	
	Obligations Concerned:	National Treatment (Articles 8.3 and 9.4) Market Access (Article 8.5) Local Presence (Article 8.6) Performance Requirements (Article 9.6) Senior Management and Board of Directors (Article 9.7)
	Description:	Cross-Border Trade in Services and Investment Israel reserves the right to adopt or maintain any measure with regard to human health including health institutions, equipment, services, data exchange and products, medical and dental services and services provided by midwives, nurses, physiotherapists and paramedical personnel.

13	Sector:	Law Enforcement and Correctional Services
	Sub-Sector:	
	Obligations Concerned:	National Treatment (Articles 8.3 and 9.4) Market Access (Article 8.5) Local Presence (Article 8.6) Performance Requirements (Article 9.6) Senior Management and Board of Directors (Article 9.7)
	Description:	Cross-Border Trade in Services and Investment Israel reserves the right to adopt or maintain any measure with regard to law enforcement and correctional services.

14	Sector:	Social Services
	Sub-Sector:	
	Obligations Concerned:	National Treatment (Articles 8.3 and 9.4) Market Access (Article 8.5) Local Presence (Article 8.6) Performance Requirements (Article 9.6) Senior Management and Board of Directors (Article 9.7)
	Description:	Cross-Border Trade in Services and Investment Israel reserves the right to adopt or maintain any measure with regard to social services including income security or insurance, social security or insurance, social welfare, public housing and child care.

15	Sector:	<p>Satellite broadcasting</p> <p>Cable broadcasting</p> <p>Television or radio broadcasting</p> <p>Satellite telecommunications Services</p>
	Sub-Sector:	
	Obligations Concerned:	<p>National Treatment (Articles 8.3 and 9.4)</p> <p>Local Presence (Article 8.6)</p> <p>Performance Requirements (Article 9.6)</p> <p>Senior Management and Board of Directors (Article 9.7)</p>
	Description:	<p>Cross-Border Trade in Services and Investment</p> <ol style="list-style-type: none"> 1. Members of the boards of directors and position holders in a licensee of satellite broadcasting, cable broadcasting, television broadcasting or radio broadcasting are required to be nationals of Israel who are residents of Israel in some cases with security clearance and are subject to approval by the relevant regulator. 2. Israel reserves the right to adopt or maintain any measure with regard to licensing of satellite communications facilities for the transmission of voice, data, text, sound and full motion picture video between network termination points and with regard to licensing of services for the transmission of television and radio programs to the consumer by a satellite system. <p>Note: For the purposes of this Schedule entry, “position holder” is the director general, chief business officer, deputy director general, vice director general or any persons in equivalent positions, member of the board of directors or other officers who directly report to the director general, as defined in Article 1 of the <i>Companies Law</i>, 1999. Further it is understood that director general is an equivalent position to chief executive officer.</p>

16	Sector:	Identity Management, Biometric Technology, Biometric Information and Databases
	Sub-Sector:	
	Obligations Concerned:	National Treatment (Article 9.4) Performance Requirements (Article 9.6) Senior Management and Board of Directors (Article 9.7)
	Description:	<p>Investment</p> <ol style="list-style-type: none"> 1. Israel reserves the right to impose or enforce any of the following requirements, with regard to identity management, biometric technology and biometric information and databases: <ol style="list-style-type: none"> (a) to restrict the exportation or sale for export; (b) to purchase or use goods produced or services provided in its Territory; and (c) to transfer technology, a production process or other proprietary knowledge to a natural person or an enterprise in its Territory. 2. Members of the board of directors, position holders and certain officers in an enterprise responsible for identity management and/or managing of a biometric information and database may be required to be nationals or residents of Israel, in some cases with security clearance and the enterprise may be required to be incorporated in Israel and have its main operations and center of business in Israel. <p>Note: For the purposes of this Schedule entry, “position holder” is the director general, chief business officer, deputy director general, vice director general or any persons in equivalent positions, member of the board of directors or other officers who directly report to the director general, as defined in Article 1 of the <i>Companies Law</i>, 1999. Further it is understood that director general is an equivalent position to chief executive officer.</p>

17	Sector:	Agriculture
	Sub-Sector:	Dairying including Cattle, Goats and Sheep Dairying Poultry and Eggs Honey including Beekeeping Groundnuts
	Obligations Concerned:	National Treatment (Articles 8.3 and 9.4) Market Access (Article 8.5) Local Presence (Article 8.6) Performance Requirements (Article 9.6)
	Description:	Cross-Border Trade in Services and Investment Israel reserves the right to adopt or maintain any measure relating to agriculture sectors listed in the “Sub-Sector” element, including services incidental to these agricultural sectors.

18	Sector:	Mining including Phosphates Mining, Quarrying and Services Incidental to Mining and Quarrying
	Sub-Sector:	
	Obligations Concerned:	National Treatment (Articles 8.3 and 9.4) Market Access (Article 8.5) Local Presence (Article 8.6) Performance Requirements (Article 9.6) Senior Management and Board of Directors (Article 9.7)
	Description:	<p>Cross-Border Trade in Services and Investment</p> <p>Israel reserves the right to adopt or maintain any measure with regard to mining including phosphates mining, quarrying and services incidental to mining and quarrying. Services incidental to mining including:</p> <ul style="list-style-type: none"> - Economic and scientific activities related to evaluation of a basin - Geologic, geophysical, geochemical activities and geoscientific data gathering related to the location of mineral deposits, oil and gas - Well drilling and testing - Mapping on water, land and transition zones through seismic or other imagining techniques - Geological and geophysical interpretation - Reservoir simulation - Risk analysis - Reserve estimation - Data management and analysis, including computer modelling - Conceptual engineering - Resource and facilities description - Screening - Site preparation and survey - Feasibility and appraisal
	Existing Measures:	Mining Ordinance

19	Sector:	Energy, Gas, Oil and Electricity
	Sub-Sector:	
	Obligations Concerned:	Market Access (Article 8.5) Local Presence (Article 8.6)
	Description:	Cross-Border Trade in Services and Investment Israel reserves the right to adopt or maintain any measure with regard to energy, gas, oil and electricity.

20	Sector:	Energy
	Sub-Sector:	Gas, including Natural Gas, and Oil
	Obligations Concerned:	National Treatment (Articles 8.3 and 9.4) Performance Requirements (Article 9.6) Senior Management and Board of Directors (Article 9.7)
	Description:	<p>Cross-Border Trade in Services and Investment</p> <ol style="list-style-type: none"> 1. Israel reserves the right to adopt or maintain any measure with regard to the natural gas sector and to essential services in the oil sector. 2. Israel may require a petroleum right holder, as defined in the <i>Oil Law, 1952</i>, to supply certain amount of oil or oil products for domestic consumption and usage. 3. Israel reserves the right to adopt or maintain any measure involving national treatment or performance requirements, with regard to oil distillates and oil refineries and with regard to pipeline transport of oil and natural gas including crude or refined oil and oil products. 4. Israel reserves the right to adopt or maintain any measure with regard to storage of liquids or gases and bulk storage services of liquids (oil or liquefied gas) or gases and with regard to oil and gas exploration and production.
	Existing Measures:	<p><i>Government Decision 442 of 2013</i> <i>Government Decision 476 of 2015</i> <i>Government Decision 1465 of 2016</i> <i>Natural Gas Sector Law, 2002</i> <i>Gas Law (Safety and Licensing), 1989</i> <i>Oil Law, 1952</i> <i>Oil Supervisor's Guidelines for Licensing of Onshore Oil Exploration</i></p>

21	Sector:	Energy
	Sub-Sector:	Liquefied Petroleum Gas (LPG)
	Obligations Concerned:	National Treatment (Articles 8.3 and 9.4) Performance Requirements (Article 9.6) Senior Management and Board of Directors (Article 9.7)
	Description:	<p>Cross-Border Trade in Services and Investment</p> <ol style="list-style-type: none"> 1. Nationality and residency of Israel are required for a natural person applying for licensure as a gas supplier, gas agent or a gas technician/engineer. 2. Members of the board of directors, position holders and certain officers in an LPG licensed enterprise are required to be nationals of Israel who are residents of Israel, in some cases with security clearance. 3. Foreign ownership in an LPG licensed enterprise may be restricted. 4. Foreign LPG technicians may be subject to time limited license. 5. Israel reserves the right to adopt or maintain any measure involving performance requirements, with regard to LPG marketing and exporting. <p>Note: For the purposes of this Schedule entry, “position holder” is the director general, chief business officer, deputy director general, vice director general or any persons in equivalent positions, member of the board of directors or other officers who directly report to the director general, as defined in Article 1 of the Companies Law, 1999. Further it is understood that director general is an equivalent position to chief executive officer.</p>
	Existing Measures:	<i>Gas Law (Safety and Licensing), 1989</i> <i>Natural Gas Sector Law, 2002</i>

22	Sector:	Energy
	Sub-Sector:	Electricity
	Obligations Concerned:	National Treatment (Articles 8.3 and 9.4) Performance Requirements (Article 9.6) Senior Management and Board of Directors (Article 9.7)
	Description:	<p>Cross-Border Trade in Services and Investment</p> <ol style="list-style-type: none"> 1. A licensee as a supplier of an electricity service who provides an essential service, as defined in the <i>Electricity Market Law, 1996</i>, shall be subject to the following conditions: <ol style="list-style-type: none"> (a) the licensee shall be controlled by nationals of Israel who are residents of Israel; (b) the maximum rate of means of control in the licensee to be held, directly or indirectly, by non-residents of Israel, is subject to a determination by the Minister of National Infrastructures; and (c) members of the board of directors, position holders and certain officers in the licensee are required to be nationals of Israel who are residents of Israel, in some cases with security clearance. 2. Members of the board of directors, position holders and certain officers in an enterprise licensed to transmit, distribute, supply or produce electricity are required to be nationals of Israel who are residents of Israel, in some cases with security clearance. 3. Foreign ownership in an enterprise licensed to transmit, distribute, supply or produce electricity may be restricted. 4. Nationality of Israel is required for licensure of a natural person to transmit, distribute, supply or produce electricity. 5. Approval of guarantees of a foreign bank to a licensee for selling electricity is subject to the consideration of the Electricity Authority.

Note: For the purposes of this Schedule entry, “position holder” is the director general, chief business officer, deputy director general, vice director general or any persons in equivalent positions, member of the board of directors or other officers who directly report to the

director general, as defined in Article 1 of the Companies Law, 1999. Further it is understood that director general is an equivalent position to chief executive officer.

Existing Measures: *Electricity Market Law, 1996*
The Electricity Authority Book of Standards

23	Sector:	Business Services
	Sub-Sector:	Investigation services
	Industry Classification:	CPC 87301
	Obligations Concerned:	National Treatment (Articles 8.3 and 9.4) Market Access (Article 8.5) Local Presence (Article 8.6) Performance Requirements (Article 9.6) Senior Management and Board of Directors (Article 9.7)
	Description:	Cross-Border Trade in Services and Investment Israel reserves the right to adopt or maintain any measure with regard to Investigation services.

24	Sector:	Business Services
	Sub-Sector:	Services incidental to hunting and forestry
	Industry Classification:	Part of CPC 881
	Obligations Concerned:	National Treatment (Articles 8.3 and 9.4) Market Access (Article 8.5) Local Presence (Article 8.6) Performance Requirements (Article 9.6) Senior Management and Board of Directors (Article 9.7)
	Description:	Cross-Border Trade in Services and Investment Israel reserves the right to adopt or maintain any measure with regard to services incidental to hunting and forestry.

25	Sector:	Business Services
	Sub-Sector:	Placement and supply of personnel
	Industry Classification:	CPC 872
	Obligations Concerned:	National Treatment (Article 8.3) Market Access (Article 8.5) Local Presence (Article 8.6)
	Description:	Cross-Border Trade in Services Israel reserves the right to adopt or maintain any measure with regard to placement and supply of personnel.

26	Sector:	Business Services
	Sub-Sector:	Rental/Leasing Services without Operators
	Industry Classification:	CPC 831
	Obligations Concerned:	National Treatment (Articles 8.3 and 9.4) Market Access (Article 8.5) Local Presence (Article 8.6) Performance Requirements (Article 9.6) Senior Management and Board of Directors (Article 9.7)
	Description:	Cross-Border Trade in Services and Investment Israel reserves the right to adopt or maintain any measure with regard to rental/leasing services without operators, except rental or leasing concerning office machinery and equipment.

27	Sector:	Business Services
	Sub-Sector:	Technical testing and analysis services
	Industry Classification:	CPC 8676
	Obligations Concerned:	Market Access (Article 8.5) Local Presence (Article 8.6)
	Description:	Cross-Border Trade in Services and Investment Israel reserves the right to adopt or maintain any measure regarding technical testing and analysis services for purposes of regulatory recognition, including requiring that these services shall be supplied by an approved laboratory established in Israel.
	Existing Measures:	<i>Standards Law, 1953</i> (Article 12)

28	Sector:	Business Services
	Sub-Sector:	Appraisal Services
	Industry Classification:	
	Obligations Concerned:	National Treatment (Articles 8.3 and 9.4) Market Access (Article 8.5) Local Presence (Article 8.6) Performance Requirements (Article 9.6) Senior Management and Board of Directors (Article 9.7)
	Description:	Cross-Border Trade in Services and Investment Israel reserves the right to adopt or maintain any measure with regard to appraisal services, except appraisal services for motor vehicles.

29	Sector:	Business Services
	Sub-Sector:	Driving test examiners
	Industry Classification:	
	Obligations Concerned:	National Treatment (Articles 8.3 and 9.4)
		Market Access (Article 8.5)
		Local Presence (Article 8.6)
		Performance Requirements (Article 9.6)
		Senior Management and Board of Directors (Article 9.7)
	Description:	Cross-Border Trade in Services and Investment
		Israel reserves the right to adopt or maintain any measure with regard to driving test examiners.

30	Sector:	Business Services
	Sub-Sector:	Credit reporting services Collection agency services Other business services n.e.c.
	Industry Classification:	CPC 87901, 87902 and 87909
	Obligations Concerned:	Market Access (Article 8.5) Local Presence (Article 8.6)
	Description:	Cross-Border Trade in Services and Investment Israel reserves the right to adopt or maintain any measure with regard to credit reporting services, collection agency services and other business services n.e.c.

31	Sector:	Communication Services
	Sub-Sector:	Postal and Courier Services
	Industry Classification:	CPC 7511 and 7512
	Obligations Concerned:	National Treatment (Articles 8.3 and 9.4) Market Access (Article 8.5) Local Presence (Article 8.6) Performance Requirements (Article 9.6) Senior Management and Board of Directors (Article 9.7)
	Description:	Cross-Border Trade in Services and Investment Israel reserves the right to adopt or maintain any measure with respect to postal and courier services below 500 gram per addressed item.

32	Sector:	Communication Services
	Sub-Sector:	
	Industry Classification:	
	Obligations Concerned:	<p>National Treatment (Articles 8.3 and 9.4)</p> <p>Market Access (Article 8.5)</p> <p>Local Presence (Article 8.6)</p> <p>Performance Requirements (Article 9.6)</p> <p>Senior Management and Board of Directors (Article 9.7)</p>
	Description:	<p>Cross-Border Trade in Services and Investment</p> <p>Israel reserves the right to adopt or maintain certain safeguards with regard to essential communication services, as defined in the <i>Communication Law (Telecommunications and Broadcasting)</i>, 1982.</p> <p>Such safeguards may include measures dealing with:</p> <ul style="list-style-type: none"> (a) control, means of control or the ability to appoint a position holder in a licensee; (b) location of management, main operations and center of business; and (c) members of the board of directors, position holders and certain officers. <p>Note: For the purposes of this Schedule entry, “position holder” is the director general, chief business officer, deputy director general, vice director general or any persons in equivalent positions, member of the board of directors or other officers who directly report to the director general, as defined in Article 1 of the Companies Law, 1999. Further it is understood that director general is an equivalent position to chief executive officer.</p>
	Existing Measures:	<p><i>Government Companies Law</i>, 1975</p> <p><i>Communication Law (Telecommunications and Broadcasting)</i>, 1982</p> <p><i>Telecommunications Order (Determination of Essential Service Provided by “Bezeq” the Israel Telecommunication Corp, Ltd.)</i>, 1997</p>
33	Sector:	Communication Services

Sub-Sector:	Promotion and advertising services
Industry Classification:	CPC 96111
Obligations Concerned:	Market Access (Article 8.5) Local Presence (Article 8.6)
Description:	Cross-Border Trade in Services For cross-border trade in services supplied from the territory of one Party into the territory of the other Party, Israel reserves the right to adopt or maintain any measure with regard to promotion and advertising services.

34	Sector:	Communication Services
	Sub-Sector:	Radio and television services Radio and television transmission services
	Industry Classification:	CPC 9613 and 7524
	Obligations Concerned:	Market Access (Article 8.5) Local Presence (Article 8.6) Performance Requirements (Article 9.6)
	Description:	Cross-Border Trade in Services and Investment Israel reserves the right to adopt or maintain any measure with regard to radio and television services and radio and television transmission services.

35	Sector:	Construction and construction related engineering
	Sub-Sector:	
	Industry Classification:	
	Obligations Concerned:	<p>National Treatment (Articles 8.3 and 9.4)</p> <p>Market Access (Article 8.5)</p> <p>Local Presence (Article 8.6)</p> <p>Performance Requirements (Article 9.6)</p> <p>Senior Management and Board of Directors (Article 9.7)</p> <p>Most-Favored- Nation Treatment (Articles 8.4 and 9.5)</p>
	Description:	<p>Cross-Border Trade in Services and Investment</p> <p>Israel reserves the right to adopt or maintain any measure with respect to construction and construction related engineering services.</p>

36	Sector:	Distribution Services
	Sub-Sector:	
	Industry Classification:	CPC 62112, 62113, 62117, 62226, 62228, 6225, 6227, 63107, 63108, 6321 and 63299
	Obligations Concerned:	National Treatment (Articles 8.3 and 9.4) Market Access (Article 8.5) Local Presence (Article 8.6) Performance Requirements (Article 9.6) Senior Management and Board of Directors (Article 9.7)
	Description:	<p>Cross-Border Trade in Services and Investment</p> <p>Israel reserves the right to adopt or maintain any measure with regard to distribution services as follows:</p> <ul style="list-style-type: none"> - Commission agents' services for alcoholic beverages, tobacco products, fuels, pharmaceutical and medical goods and cosmetics. - Wholesale trade services for alcoholic beverages, tobacco products, pharmaceutical and medical goods and cosmetics, intermediate products, other than agricultural and waste and scrap and materials for recycling. - Food retailing services for alcoholic beverages and tobacco products. - Non-food retailing services for pharmaceutical and medical goods and cosmetics. - Retail sales of Specialized retail sales of non-food products.

37	Sector:	Educational Services
	Sub-Sector:	
	Industry Classification:	CPC 921, 922, 924, and part of 923 and 929
	Obligations Concerned:	National Treatment (Articles 8.3 and 9.4) Market Access (Article 8.5) Local Presence (Article 8.6) Performance Requirements (Article 9.6) Senior Management and Board of Directors (Article 9.7)
	Description:	<p>Cross-Border Trade in Services and Investment</p> <p>Israel reserves the right to adopt or maintain any measure with regard to educational services except for:</p> <ul style="list-style-type: none"> - instruction for car, bus, truck and motorcycle driving; - preparatory courses for admission tests to colleges and universities and language tuition; and - cross border trade in higher education services

38	Sector:	Treatment of Waste
	Sub-Sector:	
	Industry Classification:	
	Obligations Concerned:	National Treatment (Articles 8.3 and 9.4) Market Access (Article 8.5) Local Presence (Article 8.6) Performance Requirements (Article 9.6) Senior Management and Board of Directors (Article 9.7)
	Description:	Cross-Border Trade in Services and Investment Israel reserves the right to adopt or maintain any measure with regard to treatment of hazardous waste and with regard to the development of domestic treatment capacities.

39	Sector:	Tourism and travel-related services
	Sub-Sector:	Travel Agencies and Tour Operators
	Industry Classification:	CPC 7471
	Obligations Concerned:	Market Access (Article 8.5) Local Presence (Article 8.6)
	Description:	Cross-Border Trade in Services Israel reserves the right to adopt or maintain any measure with regard to travel agencies and tour operators.

40	Sector:	Tourism and travel-related services
	Sub-Sector:	Tourist Guides Services
	Industry Classification:	CPC 7472
	Obligations Concerned:	Market Access (Article 8.5) Local Presence (Article 8.6)
	Description:	Cross-Border Trade in Services Israel reserves the right to adopt or maintain any measure with regard to tourist guides services.

41	Sector:	Transportation
	Sub-Sector:	Maritime Transport Services
	Industry Classification:	
	Obligations Concerned:	National Treatment (Articles 8.3 and 9.4) Market Access (Article 8.5) Local Presence (Article 8.6) Performance Requirements (Article 9.6)
	Description:	<p>Cross-Border Trade in Services and Investment</p> <p>Israel reserves the right to adopt or maintain any measure with regard to cabotage and maritime offshore services. Cabotage means a commercial activity which is performed by a vessel and is one of the following:</p> <ul style="list-style-type: none"> (a) transport of goods and passengers of which the starting point and ending point is a port, ship, facility or installation that is in the coastal or internal waters or the maritime area, without calling another international port, except for the re-positioning of owned/leased empty containers which serve the owner of the vessels for transporting goods; or (b) any other activity performed in the coastal or internal waters or maritime area; <p>as defined in the <i>Law of Shore Maritime Transport (Permit to Foreign Vessel)</i>, 2005.</p>
	Existing Measures:	<i>Law of Cabotage (Permit for a Foreign Sea Vessel)</i> , 2005 <i>Cabotage Ordinance (Permit for a Foreign Sea Vessel) (Request for Permit)</i> , 2012:

42	Sector:	Transportation
	Sub-Sector:	Air transport services
	Industry Classification:	
	Obligations Concerned:	National Treatment (Articles 8.3 and 9.4) Market Access (Article 8.5) Local Presence (Article 8.6) Performance Requirements (Article 9.6) Senior Management and Board of Directors (Article 9.7)
	Description:	Cross-Border Trade in Services and Investment Israel reserves the right to adopt or maintain any measure with regard to air transport services and services supplied at airports, except aircraft repair and maintenance services and computer reservation system as defined in GATS Annex on Air Transport.

43	Sector:	Transportation
	Sub-Sector:	Airports and Ports
	Industry Classification:	
	Obligations Concerned:	National Treatment (Articles 8.3 and 9.4) Performance Requirements (Article 9.6) Senior Management and Board of Directors (Article 9.7)
	Description:	Cross-Border Trade in Services and Investment Israel reserves the right to adopt or maintain any measure with regard to airports and ports, including construction and services supplied or operated at ports and including subjecting ports development and assets companies, port companies and authorized companies, as defined in the <i>Shipping and Ports Authority Law, 2004</i> , to an order of essential state interests, or to any other restrictions.
	Existing Measures:	<i>Shipping and Ports Authority Law, 2004</i> <i>Ports Ordinance, 1971</i> <i>Shipping and Ports Order (Announcement on Essential State Interests in Eilat Port Company Ltd.), 2012</i> <i>Airports Authority Law, 1977</i>

44	Sector:	Transportation
	Sub-Sector:	Transportation services via space, the rental of space craft and space transport ancillary services
	Industry Classification:	CPC 733, part of 734
	Obligations Concerned:	National Treatment (Articles 8.3 and 9.4) Market Access (Article 8.5) Local Presence (Article 8.6) Performance Requirements (Article 9.6) Senior Management and Board of Directors (Article 9.7)
	Description:	Cross-Border Trade in Services and Investment Israel reserves the right to adopt or maintain any measure with regard to transportation services via space, the rental of space craft and space transport ancillary services.

45	Sector:	Transportation
	Sub-Sector:	Transportation services by railway
	Industry Classification:	CPC 711
	Obligations Concerned:	National Treatment (Articles 8.3 and 9.4) Market Access (Article 8.5) Local Presence (Article 8.6) Performance Requirements (Article 9.6) Senior Management and Board of Directors (Article 9.7)
	Description:	Cross-Border Trade in Services and Investment Israel reserves the right to adopt or maintain any measure with regard to transportation services via railway.

46	Sector:	Transportation
	Sub-Sector:	Road transport services
	Industry Classification:	CPC 7121, 7122, 7123, 7124, 6112, 8867 and 744
	Obligations Concerned:	National Treatment (Articles 8.3 and 9.4) Market Access (Article 8.5) Local Presence (Article 8.6) Performance Requirements (Article 9.6) Senior Management and Board of Directors (Article 9.7)
	Description:	Cross-Border Trade in Services and Investment Israel reserves the right to adopt or maintain any measure with regard to road transport services and supporting services for road transport, except parking services and commercial road vehicle maintenance and minor repair services.

47	Sector:	Pipeline transport
	Sub-Sector:	Oil and natural gas pipeline transport, including crude and refined oil, oil products and natural gas
	Industry Classification:	CPC 7131 and 7193
	Obligations Concerned:	National Treatment (Articles 8.3 and 9.4) Market Access (Article 8.5) Local Presence (Article 8.6) Performance Requirements (Article 9.6) Senior Management and Board of Directors (Article 9.7)
	Description:	Cross-Border Trade in Services and Investment Israel reserves the right to adopt or maintain any measure with regard to oil distillates and oil refineries and oil and natural gas pipeline transport, including crude and refined oil, oil products and natural gas.

48	Sector:	Services Auxiliary to All Modes of Transport
	Sub-Sector:	Storage and warehouse services Freight transport agency services Other supporting and auxiliary transport services
	Industry Classification:	CPC 742, 748, 749
	Obligations Concerned:	Market Access (Article 8.5) Local Presence (Article 8.6)
	Description:	Cross-Border Trade in Services Israel reserves the right to adopt or maintain any measure with regard to storage and warehouses services, freight transport agency services and other supporting and auxiliary transport services.
	Description:	Investment Israel reserves the right to adopt or maintain any measure with regard to storage and warehouses services, freight transport agency services and other supporting and auxiliary transport services, except customs agents.

49	Sector:	All
	Obligations Concerned:	National Treatment (Articles 8.3 and 9.4) Market Access (Article 8.5) Local Presence (Article 8.6) Performance Requirements (Article 9.6) Senior Management and Board of Directors (Article 9.7)
	Description:	Cross-Border Trade in Services and Investment Israel reserves the right to adopt or maintain any measure with regard to new services other than those classified positively and explicitly in CPC Prov.

50	Sector:	All
	Obligations Concerned:	National Treatment (Articles 8.3 and 9.4) Market Access (Article 8.5) Local Presence (Article 8.6) Performance Requirements (Article 9.6) Senior Management and Board of Directors (Article 9.7)
	Description:	Cross-Border Trade in Services and Investment Israel reserves the right to adopt or maintain any measure with regard to the supply of services that were not technically feasible on the date of entry into force of this Agreement.

51	Sector:	All
	Obligations Concerned:	National Treatment (Articles 8.3 and 9.4) Market Access (Article 8.5) Most-Favored- Nation Treatment (Articles 8.4 and 9.5)
	Description:	<p>Cross-Border Trade in Services and Investment</p> <p>Israel reserves the right to adopt or maintain any measure with regard to the supply of a service by a national of a Party in the territory of the other Party, except for executives, managers, specialists and business visitors included in Israel's schedule of specific commitments to the GATS, titled GATS/SC/44.</p>

52	Sector:	Community, Social and Personal Services
	Sub-Sector:	Services of membership organizations Other services Private household with employed persons Services provided by extraterritorial organizations and bodies
	Industry Classification:	CPC 95, 97, 98 and 99
	Obligations Concerned:	National Treatment (Article 8.3) Market Access (Article 8.5) Local Presence (Article 8.6)
	Description:	Cross-Border Trade in Services and Investment Israel reserves the right to adopt or maintain any measure with regard to the services of membership organizations, private household with employed persons, services provided by extraterritorial organizations and bodies and other services in the Sector Community, Social and Personal Services.