

ANNEX D

**SCHEDULE OF SPECIFIC COMMITMENTS
REPUBLIC OF KOREA**

EXPLANATORY NOTES

1. The list of commitments below (hereinafter referred to as “this Schedule”) indicates the service sectors liberalized pursuant to Article 1.6 (Schedule of Specific Commitments) and, by means of reservations, the market access and national treatment limitations that apply to services and service suppliers of Turkey in those sectors. This Schedule is composed of the following elements:

- (a) the first column indicating the sector or sub-sector in which the commitment is undertaken by Korea, and the scope of liberalization to which the reservations apply;
- (b) the second column describing the applicable reservations to Article 1.4 (Market Access) in the sector or subsector indicated in the first column;
- (c) the third column describing the applicable reservations to Article 1.5 (National Treatment) in the sector or subsector indicated in the first column; and
- (d) the fourth column describing additional commitments on measures affecting supply of services not subject to scheduling under Articles 1.4 (Market Access) and 1.5 (National Treatment).

Supply of services in sectors or subsectors covered by this Agreement and not mentioned in this Schedule is not committed.

2. If measures which are inconsistent with Article 1.4 (Market Access) are also inconsistent with Article 1.5 (National Treatment), such measures shall be inscribed in the column relating to Article 1.4 (Market Access) In this case the inscription will be considered to provide a condition or qualification to Articles 1.5 (National Treatment) as well.

3. Four different modes of supply are indicated in this Schedule. These shall be understood as follows:

- (a) The mode of supply “1) the cross-border supply” is understood as the supply of a service from the territory of a Party into the territory of the other Party, in accordance with Article 1.1.2.(a)
- (b) The mode of supply “2) the consumption abroad” is understood as the supply of a service in the territory of a Party to the service consumer of the other Party, in accordance with Article 1.1.2.(b)
- (c) The mode of supply “3) the commercial presence” is understood as the supply of a service by a service supplier of a Party through commercial presence in the territory of the other Party in accordance with Article 1.1.2.(c)
- (d) The mode of supply “4) the presence of natural persons” is understood as the supply of a service through the temporary presence of natural persons for business purpose, in accordance with Article 1.1.2.(d)

4. Notwithstanding Article 1.4 (Market Access), non-discriminatory requirements as regards the types of legal form of a commercial presence do not need to be specified in this Schedule in order to be maintained or adopted by Korea.

5. Korea does not undertake any commitment under paragraphs 3 and 4 in Annex A (Temporary Movement of Natural Persons for the Purpose of Supplying Services) on key personnel, graduate trainees and business service sellers in economic activities which are not liberalized pursuant to Articles 1.6 (Schedule of specific commitments).

Korea’s commitment undertaken under paragraphs 3 and 4 in Annex A (Temporary Movement of Natural Persons for the Purpose of Supplying Services) on key personnel, graduate trainees and business service sellers do not apply in cases where the intent or effect of their temporary presence is to interfere with, or otherwise affect the outcome of, any labor/management dispute or negotiation.

Korea may take measures affecting natural persons seeking access to the employment market of Korea and measures regarding citizenship, residence or employment on a permanent basis.

Key personnel, graduate trainees and business service sellers whose entries and temporary stays are permitted shall observe the immigration and labor laws of Korea.

6. In identifying individual sectors and sub-sectors, CPC means the Central Products Classification as set out in Statistical Office of the UN, Statistical Papers, Series M. No. 77, CPC Prov. 1991

7. This Schedule does not include measures relating to qualification requirements and procedures, technical standards and licensing requirements when they do not constitute market access or national treatment limitation within the meaning of Articles 1.4 (Market Access) and 1.5 (National Treatment). Those measures (e.g. need to obtain a license, universal service obligations, need to obtain recognition of qualifications in regulated sectors, and need to pass specific examinations, including language examinations and need to have a legal domicile in the territory where the economic activity is performed), even if not listed, apply in any case to services and service suppliers of Turkey.

8. The rights and obligations arising from this Schedule shall have no self-executing effect and thus confer no rights directly on natural or juridical persons

Modes of supply	1)Cross-border supply	2)Consumption abroad	3)Commercial presence	4)Presence of natural persons
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments	
I. HORIZONTAL COMMITMENTS				
“Unbound*” means unbound due to lack of technical feasibility.				
“**” Double asterisks on the CPC Code number indicates that the corresponding service sub-sector in this Schedule only covers a part or parts of the service sub-sector classified under the given CPC code number.				
ALL SECTORS INCLUDED IN THIS SCHEDULE	3) The acquisition of outstanding stocks of existing domestic companies in the areas of energy and aviation by natural persons or juridical persons of the other Party may be restricted.	3) The acquisition of land is unbound except: (a) that the acquisition of land by companies which are not deemed as foreign under <i>the Foreigner’s Land Acquisition Act</i> is permitted, and (b) that the acquisition of land by companies which are deemed as foreign under <i>the Foreigner’s Land Acquisition Act</i> and by branches of foreign companies is permitted, subject to approval or notification in accordance with <i>the Foreigner’s Land Acquisition Act</i> , for any of the following legitimate business purposes:		

Modes of supply	1)Cross-border supply	2)Consumption abroad	3)Commercial presence	4)Presence of natural persons
			- land used for supplying services during the course of normal business activities; - land used for housing senior company personnel under pertinent laws; or - land used for fulfilling land-holding requirements stipulated by pertinent laws.	
ALL SECTORS INCLUDED IN THIS SCHEDULE	4)¹ <u>Key Personnel and Business Services Sellers</u> Unbound except as per the commitment under the Annex A (Temporary Movement of Natural Persons For the Purpose of Supplying Services). <u>Graduate Trainees(GT)</u> Unbound for sectors or sub-sectors as below: CPC 861, CPC 862, CPC 863, CPC 851, CPC 853, CPC 82201**, CPC 82202**, CPC 82203**, CPC 82204**, CPC 82205**, CPC 82206**, CPC 83104, CPC 832, CPC 86761**, CPC 86763**, CPC 86769**, CPC 633, CPC 8861, CPC 8862, CPC 8863, CPC 8864, CPC 8865, CPC 8866, CPC 874**, CPC 7512**, Telecommunication Services, Distribution services except CPC 8929**, Educational services, CPC 9401**, CPC 9402**, CPC 641, CPC 642, CPC 6431**, CPC 7471,	4) The acquisition of land is unbound except that the lease hold right of land is permitted.		

¹ Regarding the CPC codes with double asterisks in limitations on graduate trainees, the scope of “unbound” is the same as the scope of the commitment in the related sectors or sub-sectors in “II. Sector-Specific Commitments.”

Modes of supply	1)Cross-border supply	2)Consumption abroad	3)Commercial presence	4)Presence of natural persons
	CPC 87905, CPC 96191, CPC 96192, CPC 7472, CPC 7211, CPC 7212, CPC 7111, CPC 7112, CPC 71233**, CPC 9702, ISIC rev 3.1 ² : 011, 012, 013, 015			

² “ISIC rev 3.1” prescribed in this Schedule means the International Standard Industrial Classification of all Economic Activities as set out in Statistical Office of the United Nations, Statistical Papers, Series M, N° 4, *ISIC REV 3.1*, 2002.

Modes of supply	1)Cross-border supply	2)Consumption abroad	3)Commercial presence	4)Presence of natural persons
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments	
II. SECTOR-SPECIFIC COMMITMENTS				
1. BUSINESS SERVICES				
A. <u>Professional Services</u> a. Legal services (CPC 861) Advisory Services on law of the jurisdiction where service supplier is qualified as a lawyer and on public international law, excluding the following : (i) representation for juridical or statutory procedures in courts and other government agencies as well as preparation of legal documents for such procedures ; (ii) legal representation for the entrustment of the preparation of notarial deeds; (iii) activities concerning labor affairs consulting services or a legal case whose objective is the acquisition, loss or change of rights concerning real property in Korea, intellectual property rights, mining rights or other rights arising upon registration thereof with government agencies in Korea ; and (iv) activities in legal cases concerning family relations or inheritance, in which a Korean national is involved as a party or the property concerned is located in Korea.	1) None 2) None 3) Only in the form of representative office. Association with or employment of local lawyers with Korean qualification or equivalent is not permitted 4) Unbound except as indicated in the Horizontal Commitments section Commercial presence is required	1) None 2) None 3) Foreign legal consultants are required to stay in Korea not less than 180 days per year 4) Unbound except as indicated in the Horizontal Commitments section	(i) Representation in international commercial arbitration is permitted, provided that the applicable procedural and substantive laws in the arbitration are the laws which the foreign legal consultant is qualified to practice in Korea. (ii) Use of firm name is permitted, provided that it is used with reference to "Foreign legal consultants office" in Korean.	

Modes of supply	1)Cross-border supply	2)Consumption abroad	3)Commercial presence	4)Presence of natural persons
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments	
* Notes The following information is provided for transparency purposes only : i) A foreign lawyer who wishes to practice law as a foreign legal consultant (FLC) in Korea must be approved by the Minister of Justice, must have practiced law for at least 3 years in the jurisdiction where he/she is qualified as a lawyer, and must be in good standing of the legal profession in the jurisdiction. ii) Permission of the Minister of Justice is required for the establishment of a representative office in Korea. The representative office consists of a FLC or FLCs approved by the Minister of Justice. It must have credibility and expertise, and sufficient capability to compensate for damages caused to the client, if any. The chief of the representative office must have practiced law for at least 7 years, including 3 years in the jurisdiction of his/her qualification. iii) A representative office can conduct profit-making activities provided that such presence in Korea maintains proper business plans and financial bases, and must observe the <i>Foreign Legal Consultant Act</i>, its presidential decree and enforcement rule. iv) For the purpose of the commitment to this sector, only the law firm which is organized under relevant law of Turkey and headquartered in Turkey can establish its representative office in Korea. Any type of subordinate or dependent legal entity, including but not limited to a branch, a local office, a subsidiary or a joint-venture firm of the law firm of a country other than Turkey shall not be permitted to establish its representative office in Korea. v) Korea reserves the right to adopt or maintain any measure, including but not limited to (a) restrictions on certification, approval, registration, admission, and supervision of and any other requirements with respect to, foreign country-licensed lawyers or foreign law firms supplying any type of legal services in Korea; (b) restrictions on foreign country-licensed lawyers or foreign law firms entering into partnerships, commercial associations, affiliations, or any other type of relationship regardless of legal form, with <i>byeon-ho-sa</i> (Korean-licensed lawyers), Korean law firms, <i>beop-mu-sa</i> (Korean-certified judicial scriveners), <i>byeon-ri-sa</i> (Korean-licensed patent attorneys), <i>gong-in-hoe-gye-sa</i> (Korean-certified public accountants), <i>se-mu-sa</i> (Korean-certified tax accountants), or <i>gwan-se-sa</i> (Korean customs brokers); (c) restrictions on foreign country-licensed lawyers or foreign law firms hiring <i>byeon-ho-sa</i> (Korean-licensed lawyers), <i>beop-mu-sa</i> (Korean-certified judicial scriveners), <i>byeon-ri-sa</i> (Korean-licensed patent attorneys), <i>gong-in-hoe-gye-sa</i> (Korean-certified public accountants), <i>se-mu-sa</i> (Korean-certified tax accountants), or <i>gwan-se-sa</i> (Korean customs brokers) in Korea; and (d) restrictions on senior management and the board of directors of legal entities supplying foreign legal consulting services, including with respect to the chairman.				

Modes of supply	1)Cross-border supply	2)Consumption abroad	3)Commercial presence	4)Presence of natural persons
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments	
b. Accounting, auditing and book-keeping services (CPC 862)	1)2)3) (a) Only a <i>gae-in-sa-mu-so</i> (sole proprietorship), a <i>gam-sa-ban</i> (auditing task force) or a <i>hoe-gye-boep-in</i>(accounting corporation limited liability company) established in Korea by a <i>gong-in-hoe-gye-sa</i> (Korean-certified public accountant) registered under <i>the Certified Public Accountant Act</i> may supply accounting and auditing services. For greater certainty, a person that is not a Korean-registered certified public accountant is not permitted to invest in any of these types of legal entity. Only a <i>gong-in-hoe-gye-sa</i>(Korean-certified public accountant) in an auditing task force or an accounting corporation may supply auditing services regulated under <i>the External Audit of Stock Companies Act</i>. (b) Unbound for accounting and auditing services other than accounting and auditing services permitted to provide in (a). 4) Unbound except as indicated in the Horizontal Commitments section	1)2)3) The same limitations as specified in (b) of MA column apply. 4) Unbound except as indicated in the Horizontal Commitments section	1)2)3) A Korean accounting firm or office may, by paying an annual membership fee, acquire membership to international accounting organizations which have world-wide business networks. The following services may be supplied to a Korean accounting firm or office through a membership contract: (i) Consultancy for foreign accounting standards and auditing; (ii) Training of CPAs; (iii) Transfer of auditing technology; and (iv) Exchange of information. 4) Temporary movement of natural persons who are registered as CPAs under their home country's laws and are employed by international accounting firms for the purpose of supplying the services mentioned above is allowed. Entry and stay of these persons is limited to a one-year period that may be extended if extension is deemed to be necessary.	

Modes of supply	1)Cross-border supply	2)Consumption abroad	3)Commercial presence	4)Presence of natural persons
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments	
c. Taxation services (CPC 863)	1) Unbound for tax reconciliation services and tax representative services. 2) Unbound for tax reconciliation services and tax representative services. 3) Only sole proprietorships, tax reconciliation task forces, and tax agency corporations (limited liability companies) by CTAs licensed under the Certified Tax Accountant Law are permitted. Only CTAs in tax reconciliation task forces, tax agency corporations (limited liability companies) are allowed to supply tax reconciliation services. 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4)Unbound except as indicated in the Horizontal Commitments section In order to practice as a CTA, a candidate must have field experience of six months in Korea after passing the CTA examination		

Modes of supply	1)Cross-border supply	2)Consumption abroad	3)Commercial presence	4)Presence of natural persons
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments	
d. Architectural services (CPC 8671)	1) Commercial presence ³ is required. 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1)2)4) Supply of services by foreign architects through joint contracts with architects licensed under Korean law is allowed. The Foreign-certified/licensed architects who have completed a professional practice of 5 years and are recognized to have an equal professional status as that of Korean architects by the Minister of Land, Infrastructure and Transport are eligible to apply for the Architect Certifying Examination without having completed the intern development program enforced in Korea. They may acquire a Korean architect license by passing the following two subjects of the Architect Qualifying Examination (a) architectural design I; and (b) architectural designII	
e. Engineering services (CPC 8672)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
f. Integrated engineering services (CPC 8673)	1) None 2) None 3) None 4) Unbound except as indicated in the	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		

³ Commercial presence need not be a juridical person.

Modes of supply		1)Cross-border supply	2)Consumption abroad	3)Commercial presence	4)Presence of natural persons
Sector or Sub-sector	Limitations on Market Access		Limitations on National Treatment		Additional Commitments
g. Urban planning and landscape architectural services (CPC 8674)	Horizontal Commitments section				
	1)	None	1)	None	
i. Veterinary services (CPC 932)	2)	None	2)	None	
	3)	None	3)	None	
	4)	Unbound except as indicated in the Horizontal Commitments section	4)	Unbound except as indicated in the Horizontal Commitments section	
	1)	Unbound	1)	Unbound	
	2)	None	2)	None	
	3)	Unbound	3)	Unbound	
	4)	Unbound except as indicated in the Horizontal Commitments section	4)	Unbound except as indicated in the Horizontal Commitments section	

Modes of supply	1)Cross-border supply	2)Consumption abroad	3)Commercial presence	4)Presence of natural persons
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments	
B. <u>Computer and Related Services</u>				
a. Consultancy services related to the installation of computer hardware (CPC 841)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
b. Software implementation services (CPC 842)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		

Modes of supply	1)Cross-border supply	2)Consumption abroad	3)Commercial presence	4)Presence of natural persons
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments	
c. Data processing services (CPC 843)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
d. Data base services (CPC 844)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
e. Other (CPC 845, 849)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
C. <u>Research and Development Services</u>				
a. Research and development services on natural sciences (CPC 851)	1) None 2) None 3) Unbound 4) Unbound except as indicated in the Horizontal Commitments section	1) For marine scientific research, a foreign person, a foreign government, or a Korean enterprise owned or controlled by a foreign person that intends to conduct marine scientific research in the territorial waters or exclusive economic zone of Korea must obtain prior authorization or consent from the Ministry of oceans and fisheries. 2) None 3) Unbound 4) Unbound except as indicated in the Horizontal Commitments section		

Modes of supply	1)Cross-border supply	2)Consumption abroad	3)Commercial presence	4)Presence of natural persons
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments	
b. Research and development services on social sciences and humanities (CPC 852)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
c. Interdisciplinary research and development services (CPC 853)	1) None 2) None 3) Unbound 4) Unbound except as indicated in the Horizontal Commitments section	1) None 2) None 3) Unbound 4) Unbound except as indicated in the Horizontal Commitments section		

Modes of supply	1)Cross-border supply	2)Consumption abroad	3)Commercial presence	4)Presence of natural persons
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments	
D. <u>Real Estate Services</u>				
Brokerage services (CPC 82203**, 82204**, 82205**, 82206**)	1) Unbound 2) None for real estate located abroad 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) Unbound 2) None for real estate located abroad 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
Appraisal services (CPC 82201**,82202**) excluding appraisal services related to services supplied in the exercise of governmental authorities such as assessment of land prices and compensation for expropriation	1) Unbound 2) None for real estate located abroad 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) Unbound 2) None for real estate located abroad 3) None 4) Unbound except as indicated in the Horizontal Commitments section		

Modes of supply	1)Cross-border supply	2)Consumption abroad	3)Commercial presence	4)Presence of natural persons
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments	
E. <u>Rental/Leasing Services without Operators</u>				
a. Relating to ships (CPC 83103)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
b. Relating to aircraft (CPC 83104)	1) Unbound 2) Unbound 3) Joint venture in which foreign equity participation is less than 50 percent is permitted. 4) Unbound except as indicated in the Horizontal Commitments section	1) None 2) None 3) Representatives of joint venture companies must be Korean nationals. 4) Unbound except as indicated in the Horizontal Commitments section		
c. Relating to other transport equipment (CPC 83101, 83105**)⁴	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
d. Relating to other machinery and equipment (CPC 83106-83109)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
e. Other Leasing or rental services concerning personal or household goods	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		

⁴ 83105**: Only passenger vehicles for less than 15 passengers under CPC 83105.

Modes of supply	1)Cross-border supply	2)Consumption abroad	3)Commercial presence	4)Presence of natural persons
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments	
(CPC 832)				
F. <u>Other Business Services</u>				
a. Advertising services (CPC 871)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
b. Market research and public opinion polling services (CPC 864)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
c. Management consulting services (CPC 865)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
d. Project management and other management services (CPC 86601, 86609)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
e. Composition and purity testing and analysis services (CPC 86761**) ⁵	1) None 2) None 3) Establishment of a commercial presence is subject to an economic needs test. Main Criteria: the number of and impact on existing domestic suppliers, protection of public health, safety, and the environment. 4) Unbound except as indicated in the	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal		

⁵ 86761: Only inspection, testing and analysis services of air, water, noise level and vibration level under CPC 86761.

Modes of supply	1)Cross-border supply	2)Consumption abroad	3)Commercial presence	4)Presence of natural persons
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments	
	Horizontal Commitments section	Commitments section		
Technical inspection services (CPC 86764)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
f. Consulting services related to agriculture and animal husbandry (CPC 8811**, 8812**)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
Services incidental to forestry excluding aerial fire fighting and disinfection (CPC 8814**)	1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
g. Consulting services related to fishing (CPC 882**)	1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
h. Services incidental to mining (CPC 883)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
i. Services incidental to manufacturing : only consulting services related to manufacturing technologies of new products (CPC 884** and 885**	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		

Modes of supply		1)Cross-border supply	2)Consumption abroad	3)Commercial presence	4)Presence of natural persons
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments		
excluding 88411, 88450, 88442, and 88493) k. Placement services of personnel (CPC 87201**,87202**) excluding placement services for seafarers under <i>the Seafarers Act</i>	1) None 2) None 3) Foreign service suppliers may supply services only in the form of a corporation under <i>the Commercial Act</i> . 4) Unbound except as indicated in the Horizontal Commitments section	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section			
Notes on placement services of personnel for transparency purposes: 1. The corporations shall follow the rules for service fees determined and announced by the Minister of Labor. 2. The corporations shall be established with a paid-in capital of 50 million won or more. If suppliers wish to install additional branch offices, the total paid-in capital shall increase by 20 million won for each branch office additionally installed.					
m. Related scientific and technical consulting services Geological, geophysical and other scientific prospecting services (CPC 86751) Subsurface surveying services(CPC 86752) Surface surveying services (CPC 86753**) excluding services related to cadastral survey Map-making services (CPC 86754**) excluding services related	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section 1) Unbound 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section 1) Unbound 2) None 3) None	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section 1) Unbound 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section 1) Unbound 2) None 3) None			

Modes of supply	1)Cross-border supply	2)Consumption abroad	3)Commercial presence	4)Presence of natural persons
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments	
to cadastral map	4) Unbound except as indicated in the Horizontal Commitments section	4) Unbound except as indicated in the Horizontal Commitments section		
n. Maintenance and repair of equipment (CPC 633, 8861, 8862, 8863, 8864, 8865, 8866)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
o. Building-cleaning services (CPC 874**, excluding 87409)	1) Unbound* 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) Unbound* 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
p. Photographic services (CPC 875)	1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
q. Packaging services (CPC 876)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
r. 1) Printing (CPC 88442**) ⁶	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
r. 2) Publishing	1) None	1) None		

⁶ 88442: Screen printing, gravure printing and services related to printing under CPC 88442.

Modes of supply	1)Cross-border supply	2)Consumption abroad	3)Commercial presence	4)Presence of natural persons
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments	
s. (CPC 88442**) excluding publishing services of newspapers and periodicals	2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	2) None 3) Unbound 4) Unbound except as indicated in the Horizontal Commitments section		
s. Convention agency services (CPC 87909**)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
Stenography services (CPC 87909**)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
t. Translation and interpretation services (CPC 87905)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
Specialty design services (CPC 87907)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		

Modes of supply	1)Cross-border supply	2)Consumption abroad	3)Commercial presence	4)Presence of natural persons
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments	
2. COMMUNICATION SERVICES				
B. <u>Courier Service</u> International courier services (CPC 75121**) Excluding the services currently reserved to the Korean Postal Authority by law.⁷ The commitment shall not be construed to include the right to operate transport services under one’s own responsibility for hire. The commitment shall not include, under any circumstances, the grant of air traffic rights to courier operators with own Air Operator’s Certificate (AOC) and aircraft fleet.	1) Provision of services is limited to air and sea transport modes. 2) None 3) Limited to land based operations in support of international courier services. 4) Unbound except as indicated in the Horizontal Commitments section	1) Provision of services is limited to air and sea transport modes. 2) None 3) Limited to land based operations in support of international courier services. 4) Unbound except as indicated in the Horizontal Commitments section		

⁷ According to *the Postal Service Act*, the Korean Postal Authority reserves exclusive rights for collecting, processing and delivering letters. However, the Act allows private couriers to operate commercial document services, which include a) unsealed freight-attached documents or dispatch notes, b) trade-related documents, c) foreign capital or technology related documents, and d) foreign exchange or its related documents.

Modes of supply	1)Cross-border supply	2)Consumption abroad	3)Commercial presence	4)Presence of natural persons
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments	
C. <u>Telecommunication Services</u>				
a. Voice telephone services	1) The provision of all services is subject to commercial arrangements with licensed Korean service suppliers.	1) None		
b. Packet-switched data transmission services				
c. Circuit-switched data transmission services	2) None	2) None		
d. Telex services				
e. Telegraph services	3) A license for facilities-based public telecommunications services or a registration for non-facilities based public telecommunications services shall be granted only to a juridical person organized under Korean law.	3) None		
f. Facsimile services				
g. Private leased circuit services				
o. Other				
Digital cellular services				
Paging services				
PCS (personal communications services)	A foreign government or its representative, or a foreign person may not obtain or hold a radio station license.			
TRS (trunked radio system) services				
Mobile data services				
IAS (Internet access services)	A license for facilities-based public telecommunications services shall not be granted to or held by a juridical person organized under Korean law in which a			
VoIP (Voice over Internet protocol) services connected to the PSTN (public				

Modes of supply	1)Cross-border supply	2)Consumption abroad	3)Commercial presence	4)Presence of natural persons
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments	
switched telephone network)	foreign government, foreign person, or deemed foreign person ⁸ holds in the aggregate more than 49 percent of the juridical person’s total voting shares. A foreign government, a foreign person, or a deemed foreign person may not in the aggregate hold more than 49 percent of the total voting shares of a facilities-based supplier ⁹ of public telecommunications services. A foreign government, a foreign person, or a deemed foreign person may not be the largest shareholder of KT Corporation(KT), except if it holds less than 5 percent of the total voting shares of KT.			
	4) Unbound except as indicated in the Horizontal Commitments section	4) Unbound except as indicated in the Horizontal Commitments section		
<u>Value-added Services¹⁰:</u>				
h. Electronic mail	1) None	1) None		
i. Voice mail	2) None	2) None		
j. On-line information and data base retrieval	3) None	3) None		
k. Electronic data interchange	4) Unbound except as indicated in the Horizontal Commitments section	4) Unbound except as indicated in the Horizontal Commitments section		
l. Enhanced/value-added				

⁹“Facilities-based supplier” is a supplier that owns transmission facilities. “Non-facilities-based supplier” is a supplier that does not own transmission facilities (but may own a switch, router or multiplexer) and supplies its public telecommunications services through transmission facilities of a licensed facilities-based supplier. “Transmission facilities” means wireline or wireless transmission facilities (including circuit facilities) that connect transmitting points with receiving points.

¹⁰ “Value-added services” means telecommunication services, which are provided through telecommunications network facilities leased from facilities-based suppliers, and which store and forward, or process and forward, the customer's information.

⁸ “Deemed foreign person” means a juridical person organized under Korean law in which a foreign government or a foreign person (including a “specially related person” under relevant Korean law) is the largest shareholder and holds 15 percent or more of that juridical person's total voting shares, but does not include a juridical person that holds less than one percent of the total voting shares of a facilities-based supplier of public telecommunications services.

Modes of supply	1)Cross-border supply	2)Consumption abroad	3)Commercial presence	4)Presence of natural persons
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments	
facsimile services including store and forward, store and retrieve m. Code and protocol conversion n. On-line information and/or data processing (including transaction processing) o. Other On-line data base and remote computing services ¹¹			Value-added service providers are allowed to supply data transmission services ¹² .	
<u>D. Audiovisual Services</u> a. Motion picture and video tape production and distribution services (CPC 96112**, 96113**) Excluding those services for cable TV broadcasting e. Record production and distribution services (Sound recording)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section 1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section 1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		

¹¹ On-line data base and remote computing services do not cover telecommunication services which mediate third party communications.

¹² Telecommunication services which transmit and/or exchange the customer's data without change in the form or content (voice telephony, telex, facsimile services and simple resale of leased circuits are excluded).

Modes of supply	1)Cross-border supply	2)Consumption abroad	3)Commercial presence	4)Presence of natural persons
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments	
3. CONSTRUCTION SERVICES (CPC 511-518)	1) Unbound* except for CPC 5111 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) Unbound* except for CPC 5111 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
4. DISTRIBUTION SERVICES ¹³				
A. <u>Commission Agents' Services</u> (CPC 621, excluding 62111, 62112 and commission agents' services of future contracts)	1) Unbound for pharmaceuticals and medical goods 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
B. <u>Wholesale Trade Services</u> (CPC 61111, 622**, excluding grain in 62211,	1) Unbound for pharmaceuticals, medical goods, functional foods, and items subject to limitations under Mode 3	1) None		

¹³ Excluding the following services:

(a) trade in firearms, swords, and explosives;

(b) works of art and antiques; and

(c) the establishment and operation of, and distribution services at:

(i) public wholesale markets for agricultural, fishery and livestock products, which are officially designated by the local authorities as public wholesale markets;

(ii) joint wholesale markets which are established and operated by producers' organizations or public interest corporations prescribed in *the Presidential Decree of the Act on Distribution and Price Stabilization of Agricultural and Fishery Products*; and

(iii) livestock markets which are established and operated by the Livestock Cooperatives under *the Agriculture and Cooperative Act*.

For greater certainty, Korea reserves the right to adopt or maintain any measure with respect to the administration of the WTO Tariff-Rate-Quota.

Modes of supply	1)Cross-border supply	2)Consumption abroad	3)Commercial presence	4)Presence of natural persons
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments	
62223, red ginseng and farinaceous products in 62229 and fertilizers in 62276)	2) None 3) Following services are subject to an economic needs test: (a) wholesale trade of used cars, and (b) wholesale trade of gaseous fuels and related products. Main criteria: Formation of reasonable prices, the number of and impact on existing suppliers for balance of demand and supply, healthy development of the industry, and establishment of orderly trade. In addition, population density, traffic, environmental pollution, local conditions, and other local characteristics as well as public interests. A person that supplies alcoholic beverages wholesale distribution services must obtain authorization from the head of the relevant tax office, which is subject to an economic needs test. The Minister for Health and Welfare controls the supply and demand of the wholesale distribution of imported designated <i>han-yak-jae</i>(Asian medicinal herbs). 4) Unbound except as indicated in the Horizontal Commitments section	2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
C. <u>Retailing Services</u> (CPC 61112, 61130, 61210, 613**(excluding retail trade and gas station business related to LPG), 631**(excluding tobacco, rice and red ginseng), 632)	1) Unbound for pharmaceuticals, medical goods, functional foods, and items subject to limitations under Mode 3 2) None 3) Retailing services for used cars and gaseous fuels are subject to an economic needs test. Main criteria: the number of and impact on	1) None 2) None 3) None		

Modes of supply	1)Cross-border supply	2)Consumption abroad	3)Commercial presence	4)Presence of natural persons
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments	
	existing domestic suppliers, the population density, traffic, environmental pollution, local conditions, and other local characteristics as well as public interests. The sale of alcoholic beverages by telephone or in electronic commerce is prohibited. Only a natural person that is a licensed <i>an-gyung-sa</i> (optician or optometrist) that has established an office in Korea may engage in optician or optometry services. Only a licensed <i>an-gyung-sa</i> (optician or optometrist) may establish an office for operations, and may not establish more than one office per an <i>an-gyung-sa</i>. A person that supplies pharmaceutical product retail distribution services (including distribution of <i>han-yak-jae</i> (Asian medicinal herbs)) may not establish more than one pharmacy nor establish in the form of a corporation. 4) Unbound except as indicated in the Horizontal Commitments section	4) Unbound except as indicated in the Horizontal Commitments section		
D. <u>Franchising</u> (CPC 8929**)¹⁴	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		

¹⁴ Franchising services are limited to those items which are allowed under Wholesale Trade Services and Retailing Services in this Schedule.

Modes of supply	1)Cross-border supply	2)Consumption abroad	3)Commercial presence	4)Presence of natural persons
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments	
5. EDUCATIONAL SERVICES ¹⁵				
C. <u>Higher Education Services</u> ¹⁶ (CPC 923**) Higher education services provided by private higher educational institutions, which have obtained recognition from the government or public accreditation bodies, for the purpose of conferring degrees Excluding : (i) health and medicine-related higher education; (ii) higher education for prospective pre-primary, primary and secondary teachers; (iii) professional graduate education in law; and (iv) universities via broadcasting and communications, and cyber universities.	1) Unbound 2) None 3) Only non-profit school juridical persons ¹⁷ , established under the approval by the Minister of Education may establish educational institutions under the Minister’s authorization. Intra-company Universities do not need to establish a school juridical person. Only the types of educational institutions listed in Attachment I are allowed. In the Seoul Metropolitan Area ¹⁸ the new establishment, extension, or transfer of a higher education institution other than Intra-company Universities may be restricted. Local higher education institutions may jointly operate curricula only with higher education institutions established under Korean law, or with foreign higher education institutions that have obtained accreditation from foreign governments	1) Unbound 2) None 3) Unbound		

¹⁵ Specific commitments on market access and national treatment through any mode of supply shall not be construed to apply to the recognition of university degrees for the purpose of admission, registration and qualification for professional practice in Korea.

¹⁶ Types of higher education institutions are listed in Attachment I concerning Higher Education Services.

¹⁷ "School juridical person" means a non-profit juridical person established solely for the purpose of establishing a regular educational institution in accordance with pertinent education-related laws.

¹⁸ "Seoul Metropolitan Area" means the Seoul Metropolitan City, the Incheon Metropolitan City, and the Gyeonggi Province.

Modes of supply	1)Cross-border supply	2)Consumption abroad	3)Commercial presence	4)Presence of natural persons
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments	
	or authorized accreditation bodies. The Minister of Education may restrict the number of students for each educational institution. 4) Unbound except as indicated in the Horizontal Commitments section	4) Unbound except as indicated in the Horizontal Commitments section		
D. <u>Adult Education Services</u> ¹⁹ (CPC 924**)				
Adult Education Services provided by private adult educational institutions Excluding : (i) education services which recognize education qualifications, or confer, or are linked with, local or foreign credits, degrees or diplomas; (ii) vocational training services financially supported by the government in accordance with <i>the Employment</i>	1) Unbound for health and medicine-related adult education services 2) None 3) Only the types of educational institutions listed in Attachment II are allowed. The Superintendent of Provincial Office for Education(<i>Kyo-yook-gam</i>) may adjust tuition rates for private tutoring institutions(<i>Hag-won</i>). In the Seoul Metropolitan Area, the new establishment, extension, or transfer of	1) Unbound for health and medicine-related adult education services 2) None 3) Unbound		

¹⁹ Types of adult education institutions are listed in Attachment II concerning Adult Education Services.

Modes of supply	1)Cross-border supply	2)Consumption abroad	3)Commercial presence	4)Presence of natural persons
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments	
<i>Insurance Act, the Worker’s Vocational Competency Development Act and the Seafarers Act;</i> (iii) educational services via broadcasting; and (iv) vocational training services provided by institutions under authority delegated by the government.	adult training facilities that equal or exceed 3,000 square meters in total floor area may be restricted. 4) Unbound except as indicated in the Horizontal Commitments section	4) Unbound except as indicated in the Horizontal Commitments section A foreign national hired by <i>hag-won</i> for adults as a lecturer must possess at least a bachelor’s degree or the equivalent, and reside in Korea.		
6. ENVIRONMENTAL SERVICES				
Regarding services under CPC 9403 and CPC 9406 other than those within sectors or sub-sectors inscribed in the following sectoral commitments, the obligation of Article 1.5(National Treatment) applies to the modes 1 through 3 of supply of those services pursuant to a contract between private parties, to the extent private supply of such services is permitted under relevant laws and regulations. For greater certainty, the obligation of Article 1.4(Market Access) does not apply to such services.				
A. <u>Sewage Services</u> Refuse water disposal service (CPC 9401**)²⁰	1) Unbound* 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
B. <u>Refuse Disposal Services</u> Industrial refuse disposal services (CPC 9402**)²¹	1) Unbound* 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
C. <u>Other</u> Cleaning services of exhaust	1) None	1) None		

²⁰ 9401**: Only collection and treatment services of industrial waste water under CPC 9401.

²¹ 9402**: Only collection, transport, and disposal services of industrial refuse under CPC 9402.

Modes of supply	1)Cross-border supply	2)Consumption abroad	3)Commercial presence	4)Presence of natural persons
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments	
gases and noise abatement services (CPC 9404, 9405)	2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
Environment testing and assessment services (CPC 9406**, 9409**)²²	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
Soil remediation and groundwater purification (CPC 9406**)	1) Unbound* 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
Environment consulting services (CPC 9409**)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		

²² 9406**, 9409**: Only environmental impact assessment services under CPC 9406 and 9409.

Modes of supply		1)Cross-border supply	2)Consumption abroad	3)Commercial presence	4)Presence of natural persons
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments		
7. FINANCIAL SERVICES					
Headnotes: All financial services are subject to the following provisions. 1. Juridical persons supplying financial services and constituted under Korean law are subject to non-discriminatory limitations on juridical form.²³ 2. The commitments of Korea are subject to the limitation that in order to establish or acquire a controlling interest in a financial service supplier in Korea, a foreign investor must own or control a financial service supplier that engages in supplying financial services within the same financial services sub-sector in its home country. 3. For greater certainty, nothing in this Agreement limits Korea's ability to require the chief executive of a financial service supplier established under its laws to reside within its territory. 4. For prudential reasons within the context of Annex C (Financial Services), Korea shall not be prevented from taking measures including requirements related to parent companies, the minimum capital requirement, minimum operating funds requirement, business worker's license and approval for business activities. 5. A financial institution must be established for only one business defined in related law and thus cannot engage in other business activities regulated by other relevant laws. 6. Even if Korea permits persons located in its territory, and its national wherever located, to purchase financial services from cross-border financial service suppliers of the other Party located in the territory of the other Party, such permission will not mean that Korea is required to permit such suppliers to do business or engage in solicitation in the					

²³ This headnote is not itself intended to affect, or otherwise limit, a choice by a financial service supplier of the other Party between branches or subsidiaries.

Modes of supply		1)Cross-border supply	2)Consumption abroad	3)Commercial presence	4)Presence of natural persons
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments		
territory of Korea. Korea may define “doing business” and “solicitation” for purposes of this obligation, provided that those definitions are not inconsistent with the commitments regarding cross-border supply of financial services undertaken by Korea. 7. Without prejudice to other means of prudential regulation on cross-border supply of financial services, Korea may require the registration or authorization of cross-border financial service suppliers of the other Party and of financial instruments. Korea may require a cross-border financial service supplier of the other Party to provide information, solely for informational or statistical purposes, on the financial services it has supplied within the territory of Korea. Korea will protect such business information that is confidential from any disclosure that would prejudice the competitive position of the supplier. 8. Cross-border supply of financial services and supply through consumer movement may not be settled in Korean currency. After the establishment of a commercial presence, financial institutions may handle only transactions, denominated and settled in Korean currency, with residents. Approval is required for transactions denominated or settled in foreign currency or transactions with non-residents. 9. Assets owned by branches must be kept within the territory of Korea. Capital of the head office is not recognized as the basis for determining the extent of funding and lending activities of domestic branches. 10. Demand deposit interest rates are regulated. 11. The management and operation of assets of a financial institution are restricted . 12. A financial institution may not own non-business real estate. 13. Introduction of new financial products including derivatives is subject to approval.					
A. <u>Insurance and Insurance-related Services</u> (i) Direct Insurance a) Life Insurance Services Including accident and health insurance services					
	1) Unbound 2) Unbound 3) Commercial presence is permitted only to foreign life insurance companies. 4) Unbound except as indicated in the Horizontal Commitments section	1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the Horizontal Commitments section.			

Modes of supply	1)Cross-border supply	2)Consumption abroad	3)Commercial presence	4)Presence of natural persons
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments	
b) Non-life Insurance Services	1) Unbound except for marine export/import cargo and aviation insurance. 2) Unbound 3) Commercial presence is permitted only to foreign non-life insurance companies. 4) Unbound except as indicated in the Horizontal Commitments section.	1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the Horizontal Commitments section.		
(ii) Reinsurance and retrocession services	1) None 2) None 3) Commercial presence is permitted only to foreign reinsurance and retrocession insurance companies. 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.		
(iii) Insurance broking and agency services				
a) Brokerage	1) Unbound 2) Unbound 3) Commercial Presence is permitted only to foreign insurance brokerage companies. 4) Unbound except as indicated in the Horizontal Commitments section.	1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the Horizontal Commitments section.		
b) Agency	1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the Horizontal Commitments section.		
(iv) Services auxiliary to insurance: applicable only to sub-sector a) and b)	1) Unbound 2) Unbound 3) Commercial Presence is permitted only to foreign claim settlement and	1) None 2) None 3) None		
a) Claim settlement and				

Modes of supply	1)Cross-border supply	2)Consumption abroad	3)Commercial presence	4)Presence of natural persons
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments	
adjustment services ²⁴ b) Actuarial services	adjustment companies and actuarial companies. 4) Unbound except as indicated in the Horizontal Commitments section.	4) Unbound except as indicated in the Horizontal Commitments section.		
B. <u>Banking and Other Financial Services</u> :applicable only to the sub-sectors listed below (i) Deposit ²⁵ (ii) Lending ²⁶ (iii) Financial leasing	1) Unbound 2) Unbound 3) Commercial presence is permitted only to foreign financial institutions (except for financial leasing) which deal with the same services in their country of origin. A person may own up to 10 per cent of the stocks of a bank(up to 4% in case of non-financial service business entity) and 15	1) Unbound 2) Unbound 3) None		

²⁴ Activities which assess and adjust the loss and compensation.

²⁵ Activities in which banks obtain funds from the public by receiving deposits or issuing transferable instruments or other securities.

²⁶ Activities in which banks provide funds to the public in order to receive interest via loans or bill discounts.

Modes of supply	1)Cross-border supply	2)Consumption abroad	3)Commercial presence	4)Presence of natural persons
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments	
(iv) Payment and Money transmission	per cent of the stocks of a provincial bank without the special authorization of the relevant authorities. ²⁸ A person can own up to 100 per cent of a bank and a provincial bank with the special authorization of the relevant authorities.			
(v) Guarantees and commitments	Foreign exchange position is regulated. The oversold position of spot foreign exchange is US\$ 5 million, or 3 per cent of capital (whichever is greatest).			
(vi) Foreign exchange services ²⁷				
(vii) Settlement and clearing ²⁹	Deposit for specific purpose, such as housing subscription deposit, may be handled only by designated institutions. Securities savings and credit granting are subject to restriction of ceiling and operation. Lending to credit card members through such means as card loans is subject to limitation. For credit card services, maximum limits are applied to various rates such as fees and interest rates.			

²⁷ Activities which issue, remit and collect foreign exchange.

²⁹ Activities which settle and clear notes, bills and cheques by banks according to the Article of KFTCI (Korea Financial Telecommunications and Clearings Institute).

²⁸ The definitions of "a person" and "non-financial service business entity" are in accordance with the relevant provision of *the Presidential Decree of the Bank Act*.

Modes of supply	1)Cross-border supply	2)Consumption abroad	3)Commercial presence	4)Presence of natural persons
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments	
	The maturity of CDs shall be more than 30 days. Underlying transaction and documentation requirements apply to foreign exchange transactions. Underlying documentation requirements are exempt in the case of forward transactions. Mandatory lending to small-and-medium sized companies is required. Foreign currency loans are restricted with respect to ceiling and uses. 4) Unbound except as indicated in the Horizontal Commitments section.	4) Unbound except as indicated in the Horizontal Commitments section.		

Modes of supply	1)Cross-border supply	2)Consumption abroad	3)Commercial presence	4)Presence of natural persons
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments	
(viii) Trading for own account or for account of customers, whether on an exchange, in an over-the-counter market or otherwise :applicable only to the instruments as listed below a) Money market instruments (including cheques, bills, certificates of deposit) b) Foreign exchange c) Financial Derivative products (including futures and options) d) Exchange rate and interest rate instruments (including swaps and forward rate agreements) e) Transferable securities f) Other negotiable instruments and financial assets (including bullion)	1) Unbound 2) Unbound 3) Commercial Presence is permitted only to foreign financial institutions which deal with the same instruments in their country of origin. Representative offices may be established by pre-notification. 4) Unbound except as indicated in the Horizontal Commitments section.	1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the Horizontal Commitments section		

Modes of supply	1)Cross-border supply	2)Consumption abroad	3)Commercial presence	4)Presence of natural persons
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments	
(ix) Participation in issues of all kinds of securities	1) Unbound	1) Unbound		
a) Security issue	2) Unbound	2) Unbound		
b) Underwriting	3) Commercial presence is permitted only to foreign financial institutions which deal with the issuing of all kinds of securities.	3) None		
c) Placement	Representative offices may be established by pre-notification.			
d) Other services related to securities	4) Unbound except as indicated in the Horizontal Commitments section.	4) Unbound except as indicated in the Horizontal Commitments section.		
(x) Asset management :applicable only to services listed below	1) Unbound	1) Unbound		
a) Cash or portfolio management	2) Unbound	2) Unbound		
b) All forms of collective investment management	3) Commercial presence is permitted only to foreign asset management companies. Representative offices may be established by pre-notification.	3) None		
c) Custody	4) Unbound except as indicated in the Horizontal Commitments section.	4) Unbound except as indicated in the Horizontal Commitments section.		
d) Trust ³⁰ (including investment discretionary advisory service)				

³⁰ Activities where a trustee is commissioned to manage the financial assets for beneficiary's benefit.

Modes of supply	1)Cross-border supply	2)Consumption abroad	3)Commercial presence	4)Presence of natural persons
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments	
(xi) Provision and transfer of financial information ³¹ financial data processing and related software	1) None ³² 2) Unbound 3) Unbound 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) Unbound 3) Unbound 4) Unbound except as indicated in the Horizontal Commitments section.		
(xii) Credit information services	1) Unbound 2) Unbound 3) Unbound except for equity participation of less than 50 percent in existing financial information companies. 4) Unbound except as indicated in the Horizontal Commitments section.	1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the Horizontal Commitments section.		
(xiii) Advisory, intermediation and other auxiliary financial services : applicable only to services listed below	1) Unbound 2) Unbound 3) Commercial presence is permitted only to foreign investment advisory companies. Representative offices may be established by pre-notification	1) Unbound 2) Unbound 3) None		
a) Investment advice	4) Unbound except as indicated in the	4) Unbound except as indicated in the Horizontal		

³¹ For greater certainty, “financial information” referred to in this section does not include general financial or business information that is included within a general circulation, publication or provided for a general audience.

³² Korea’s commitment is subject to certain considerations, such as the protection of sensitive information of consumers, prohibitions on unauthorized reuse of sensitive information, the ability of financial regulators to have access to records of financial institutions relating to the handling of such information, and requirements for the location of technology facilities.

Modes of supply	1)Cross-border supply	2)Consumption abroad	3)Commercial presence	4)Presence of natural persons
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments	
b) Credit rating and analysis	Horizontal Commitments section. 1) Unbound 2) Unbound 3) Credit rating companies should be designated by the relevant authorities to assess the credit rating of companies which may wish to issue non-guaranteed corporate bonds and commercial papers. 4) Unbound except as indicated in the Horizontal Commitments section.	Commitments section. 1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the Horizontal Commitments section.		
9. TOURISM AND TRAVEL RELATED SERVICES				
A. <u>Hotels and Restaurants</u> (CPC 641, 6431**) excluding rail and air transport related facilities in CPC 6431 Food serving services (CPC 642)	1) Unbound* 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section 1) Unbound except for air transport related facilities 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) Unbound* 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section 1) Unbound except for air transport related facilities 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
B. <u>Travel Agencies and Tour Operators Services</u> (CPC 7471)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
C. <u>Tourist Guides Services</u> (CPC 7472)	1) None 2) None 3) None	1) None 2) None 3) None		

Modes of supply	1)Cross-border supply	2)Consumption abroad	3)Commercial presence	4)Presence of natural persons
Sector or Sub-sector	Limitations on Market Access		Limitations on National Treatment	Additional Commitments
	4) Unbound except as indicated in the Horizontal Commitments section		4) Unbound except as indicated in the Horizontal Commitments section	
10. RECREATIONAL, CULTURAL AND SPORTING SERVICES				
A. <u>Entertainment Services</u> (CPC 96191, 96192) Entertainment services provided by individual artists or groups, such as musical, theatre, live band, opera, etc.	1) Unbound 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		1) Unbound 2) None 3) Unbound 4) Unbound except as indicated in the Horizontal Commitments section	
11. TRANSPORT SERVICES				
A. <u>Maritime Transport Services</u> International transport (CPC 7211, 7212) Excluding cabotage	1) (a) Liner shipping: None (b) Bulk, tramp, and other international shipping: None 2) None 3) (a) Establishment of a registered company for the purpose of operating a fleet under the national flag of Korea: (i) International maritime passenger transport: Unbound (ii) International maritime cargo transport: None (b) Other forms of commercial presence: None 4) (a) Ship's crew: Unbound (b) Shore personnel: Unbound except as indicated in the Horizontal Commitments section		1) None 2) None 3) (a) None (b) None 4) Unbound except as indicated in the Horizontal Commitments section	The following services at the port are made publicly available to international maritime transport suppliers on reasonable and non-discriminatory terms and conditions. 1. Pilotage 2. Towing and tug assistance 3. Provisioning, fuelling and watering 4. Garbage collecting and ballast waste disposal 5. Port captain's services 6. Navigation aids 7. Shore-based operational services essential to ship operations, including communications, water and electrical supplies 8. Emergency repair facilities 9. Anchorage, berth and berthing services
Notes : Without prejudice to the scope of activities which may be considered as cabotage under the relevant national legislation, this Schedule does not include national cabotage services, which are assumed to cover transportation of passengers or goods between a port or point located in the entire Korean peninsula and(or) any adjacent Korean islands and another port				

Modes of supply	1)Cross-border supply	2)Consumption abroad	3)Commercial presence	4)Presence of natural persons
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments	
or point located in the entire Korean peninsula and(or) any adjacent Korean islands, including on its continental shelf as provided in <i>the UN Convention on the Law of the Sea</i> , and traffic originating and terminating in the same port or point located in the entire Korean peninsula and any adjacent Korean islands.				
B. <u>Maritime Auxiliary Services</u>				
Maritime cargo handling services (CPC 741**)	1) Unbound* 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) Unbound* 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
Storage and warehouse services in ports (CPC 742**)	1) Unbound* 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) Unbound* 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
Customs clearance service	1) Unbound* 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) Unbound* 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
Maritime agency services (CPC 748**) ³³	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
Container station and depot services (CPC 741**) ³⁴	1) Unbound* 2) None 3) None 4) Unbound except as indicated in the	1) Unbound* 2) None 3) None 4) Unbound except as indicated in the Horizontal		

³³ Agency services on behalf of maritime passenger transport businesses or maritime cargo transport businesses (including foreign transport businesses) under CPC 748.

³⁴ Container station and depot services provided in port areas under CPC 741.

Modes of supply	1)Cross-border supply	2)Consumption abroad	3)Commercial presence	4)Presence of natural persons
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments	
	Horizontal Commitments section	Commitments section		
Maritime freight forwarding services (CPC 748**)³⁵	1) None 2) None 3) None 4) Unbound except as indicated the Horizontal Commitments section	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
Shipping brokerage services (CPC 748**, 749**)³⁶	1) None 2) None 3) None 4) Unbound except as indicated the Horizontal Commitments section	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
Maintenance and repair of vessels³⁷ (CPC 8868)	1) Unbound* 2) None 3) None 4) Unbound except as indicated the Horizontal Commitments section	1) Unbound* 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
Rental of vessels with crew (CPC 7213)	1) None 2) None 3) None 4) Unbound except as indicated the Horizontal Commitments section	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
Pushing and towing services	1) Unbound*	1) Unbound*		

³⁵ Freight forwarding services by vessels in the name of the forwarder (including any foreign forwarders under contract) under CPC 748.

³⁶ 748**, 749**: Brokerage services for maritime cargo transport or for the chartering, leasing, purchasing or selling of vessels under CPC 748 and 749.

³⁷ Services, such as repair and management of vessels, management of crew, and marine insurance, provided on behalf of a maritime passenger transport business, maritime cargo transport business or vessel leasing business

Modes of supply	1)Cross-border supply	2)Consumption abroad	3)Commercial presence	4)Presence of natural persons
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments	
(CPC 7214) Tally, measuring and survey services (CPC 745**)38	2) None 3) None 4) Unbound except as indicated the Horizontal Commitments section 1) Unbound* 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section 1) Unbound* 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
C. <u>Air Transport Services</u> 39				
Computer reservation system (CRS) services	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
Selling and marketing of air transport services	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
Maintenance and repair of aircraft (CPC 8868**)	1) Unbound* 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) Unbound* 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		

³⁸ Tally, measuring and survey services only apply to the maritime transport sector.

³⁹ As defined in the GATS Annex on Air Transport Services

Modes of supply	1)Cross-border supply	2)Consumption abroad	3)Commercial presence	4)Presence of natural persons
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments	
E. <u>Rail Transport Services</u> a. Passenger transportation (CPC 7111) b. Freight transportation (CPC 7112)	1) Unbound* 2) None 3) Unbound for existing operations. Establishment of new operations are subject to an economic needs test. Main criteria: establishment of order and discipline in the railroad industry. 4) Unbound except as indicated in the Horizontal Commitments section	1) Unbound* 2) None 3) Unbound 4) Unbound except as indicated in the Horizontal Commitments section		
F. <u>Road Transport Services</u> a. Transportation of containerized freight excluding cabotage (CPC 71233**)	1) Unbound 2) None 3) Licenses are granted only to international shipping companies. 4) Unbound except as indicated in the Horizontal Commitments section	1) Unbound 2) None 3) Cargoes are confined to containerized cargoes to be exported or imported. 4) Unbound except as indicated in the Horizontal Commitments section		
G. <u>Pipeline Transport</u> (CPC 7131**) Only the transportation of oil products, excluding the transportation of LPG	1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
H. <u>Services Auxiliary to all Modes of Transport</u>				

Modes of supply	1)Cross-border supply	2)Consumption abroad	3)Commercial presence	4)Presence of natural persons
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments	
b. Storage and warehouse services other than those in ports (CPC 742**) Excluding services for agricultural, fishery and livestock products	1) Unbound* 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) Unbound* 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		
I. <u>Other Transport Services</u> COMBINED TRANSPORT SERVICES Freight forwarding for rail transport⁴⁰	1) Unbound 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section	1) Unbound 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section		

⁴⁰ "Freight forwarding for rail transport" means auxiliary services to be carried out at the ends of railway transport which include collecting containerized cargoes, contracting with the Korea Railroad Corporation for transport of the freight on trains, and loading/unloading and delivery of freight.

ATTACHMENT I

(Higher Education Services)

The types of higher educational institutions are as follows:

1. Junior Colleges: higher educational institutions which offer a 2-3 year curriculum and confer an associate degree, in accordance with *the Higher Education Act*.
2. Universities: higher educational institutions which offer a 4-6 year curriculum and confer a bachelor's degree, in accordance with *the Higher Education Act*.
3. Industrial Universities: higher educational institutions which offer education on the knowledge and skills needed for an industrial society, and confer a bachelor's degree, in accordance with *the Higher Education Act*.
4. Technical Colleges: higher educational institutions which offer a 2 year curriculum to train expert manpower, and confer

associate degrees and bachelor's degrees, in accordance with *the Higher Education Act*.

5. Intra-company Universities: higher educational institutions which are established and operated by employers to educate employees, and confer degrees or diplomas equivalent to those of Junior Colleges or Universities, in accordance with *the Lifelong Education Act*.

ATTACHMENT II

(Adult Education Services)

The types of adult education institutions are as follows:

1. *Hag-won*(private teaching institutes for adults) are facilities that provide tutoring services on the following subjects related to lifelong or vocational education to ten people or more for a period of 30 days or longer in accordance with *the Establishment and Operation of Private Teaching Institute and Extracurricular Lessons Act*. Excluded are schools, libraries, museums, workplace facilities that provide education services to employees, lifelong education facilities in accordance with *the Lifelong Education Act*, and driving schools.
 - (a) Industrial infrastructure technology: machinery, automobile, metal, chemicals and ceramics, electrics, telecommunications, electronics, shipbuilding, aviation, civil engineering, textile and apparels, mining resources, land development, agriculture and forestry, oceanic industry, energy, crafts, environment, transportation, and safety management
 - (b) Applied industrial technology: design, hair and cosmetology, food and beverage, packaging, printing, photography, and piano tuning
 - (c) Industrial services: stenography, computable accounting, e-commerce, job consulting, social survey, convention planning, consumer consulting, and telemarketing,
 - (d) General services: pet grooming, funeral service, hospice, flight crew, and hospital coordinators
 - (e) Computer: computers, games, robots, data processing, telecommunications equipment, the Internet, and software
 - (f) Culture and tourism: publishing, imaging and recording, film, broadcasting, character products, and tourism
 - (g) Nursing assistant: nursing assistant
 - (h) Management and office work: finance, insurance, distribution, real estate, secretary service, accounting, pen writing, bookkeeping, abacus, mental arithmetic, and speed-reading
 - (i) International: foreign languages for adults, interpretation, and translation
 - (j) Humanities: college transfer, public management, business management, accounting, statistics, and public service examination
 - (k) Arts: traditional Korean music, traditional dance, calligraphy, flower arrangement, floral art & crafts, cartoon, theatre arts, modelling, conversation skills, magic, applied music, vocal music, modern dance, *baduk*, and speech
 - (l) Reading room:⁴¹ reading rooms that are not related to private institutes that teach regular curricula subjects
2. Lifelong education facilities are the facilities which have been approved by, registered with or notified to the Ministry of Education in accordance with *the Lifelong Education Act*. Lifelong adult education facilities refer to lifelong education facilities annexed to workplaces, NGOs, schools, and media organizations, lifelong education facilities related to the development of knowledge and human resources, and on-line lifelong education facilities, all of which are established for adults.

⁴¹ A place where people go to study.

ANNEX D

**SCHEDULE OF SPECIFIC COMMITMENTS
REPUBLIC OF TURKEY**

EXPLANATORY NOTES

1. The list of commitments below (hereinafter referred to as “this Schedule”) indicates the service sectors liberalized pursuant to Article 1.6 (Schedule of Specific Commitments), and, by means of reservations, the market access and national treatment limitations that apply to services and service suppliers of Korea in those sectors. This Schedule is composed of the following elements:

- (a) the first column indicates the sector or subsector in which the commitment is undertaken by Turkey, and the scope of liberalization to which the reservations apply;
- (b) the second column describes the applicable reservations to Article 1.4 (Market Access) in the sector or subsector indicated in the first column;
- (c) the third column describes the applicable reservations to Article 1.5 (National Treatment) in the sector or subsector indicated in the first column; and
- (d) the fourth column describes additional commitments on the measures affecting supply of services that are not subject to scheduling under Articles 1.4 (Market Access) and 1.5 (National Treatment).

Supply of services in sectors or subsectors covered by this Agreement and not mentioned in this Schedule is not committed.

2. Four different modes of supply are indicated in this Schedule. These shall be understood as follows:

- (a) The mode of supply “1) the cross-border supply” is understood as the supply of a service from the territory of Korea into the territory of Turkey, in accordance with subparagraph 2(a) of Article 1.1 (Objective and Scope).
- (b) The mode of supply “2) the consumption abroad” is understood as the supply of a service in the territory of Korea to a service consumer of Turkey, in accordance with subparagraph 2(b) of Article 1.1 (Objective and Scope).
- (c) The mode of supply “3) the commercial presence” is understood as the supply of a service through a commercial presence by a Korean service supplier in the territory of Turkey, in accordance with subparagraph 2(c) of Article 1.1 (Objective and Scope).

(d) The mode of supply “4) the presence of natural persons” is understood as the supply of a service through temporary presence in the territory of Turkey of Korean natural persons for the purpose of supplying services, in accordance with subparagraph 2(d).Article 1.1 (Objective and Scope).

3. Notwithstanding Article 1.4 (Market Access), non-discriminatory requirements as regards the types of legal form of a commercial presence do not need to be specified in this Schedule in order to be maintained or adopted by Turkey.

4. Turkey does not undertake any commitment on the entry and temporary stay of natural person categories not indicated in this schedule as well as key personnel, graduate trainees and business service sellers in economic activities which are not liberalized pursuant to Article 1.6 (Schedule of specific commitments).

Turkey’s commitments undertaken under the Annex A (Temporary Movement of Natural Persons for the Purpose of Supplying Services) on key personnel, graduate trainees and business service sellers do not apply in cases where the intent or effect of their temporary presence is to interfere with, or otherwise affect the outcome of, any labor/management dispute or negotiation.

Key personnel, graduate trainees and business service sellers whose entry and temporary stay are permitted shall observe the immigration and labor laws of Turkey.

5. In identifying individual sectors and sub-sectors, where specified, CPC means the Central Product Classification as set out in Statistical Office of the United Nations, Statistical Papers, Series M, No. 77, CPC Prov, 1991. A CPC code accompanied with double asterisks “**” indicate that "part of" the sector is covered.

The ordering of the service sectors, sub-sectors and activities in this Schedule reflects the Services Sectoral Classification List contained in the WTO document MTN.GNS/W/120, dated 10 July 1991.

6. This Schedule does not include measures relating to qualification requirements and procedures, technical standards and licensing requirements when they do not constitute a market access or a national treatment limitation within the meaning of Articles 1.4 (Market Access) and 1.5 (National Treatment). Those measures (e.g. need to obtain a license, universal service obligations, need to obtain recognition of qualifications in regulated sectors, and need to pass specific examinations, including language examinations and need to have a legal domicile in the territory where the economic activity is performed), even if not listed, apply in any case to services and service suppliers of Korea.

The conditions and criteria indicated in this schedule that are required for becoming a member to the related professional chambers do not limit market access or qualify national treatment limitations within the scope of Articles 1.4 (Market Access) and 1.5 (National Treatment).

7. In accordance with paragraph 5 of Article 1.1 (Objective and Scope), this Schedule does not include measures concerning subsidies or grants provided by Turkey, including government-supported loans, guarantees and insurance, or any conditions attached to the receipt of such subsidies or grants, whether or not such subsidies or grants are offered exclusively to domestic services, service consumers or service suppliers.
8. The rights and obligations arising from this Schedule shall have no self-executing effect and thus confer no rights directly on natural or juridical persons.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
I. HORIZONTAL COMMITMENTS APPLICABLE TO SECTORS LISTED IN THE SECTORAL PART OF THE SCHEDULE			
ALL SECTORS INCLUDED IN THIS SCHEDULE	3) None for the establishment or acquisition of commercial companies in accordance with Turkish Commercial Code and Foreign Direct Investment Law. However, the Ministry of Economy is authorized to permit foreign companies established under the laws of foreign countries to open liaison offices, provided that they do not engage in commercial activities in Turkey. Unbound for the establishment of foundations, trusts, associations and any other non-profit organizations. <u>Real Estate Acquisition:</u> According to Land Registry Law, Companies with foreign capital are permitted to acquire real estate in Turkey to conduct business activities listed in the articles of association of their enterprise. However acquisitions in military zones (military forbidden zones, military security zones and strategic zones) and special security zones require permissions from the Turkish military authorities and province governorship respectively. The Council of Ministers has the full authority and discretion to determine, modify or limit the conditions of real estate acquisition by foreign natural persons or juridical persons with no commercial presence in the Turkish territory on the basis of country of origin; person; geographical area of the estate; duration of the right;	3) <u>Branching:</u> Establishment of a branch of a company headquartered abroad requires the appointment of a natural person representative with domicile in Turkey, who is duly authorized by the enterprise to fully represent it.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	number, ratio, type, quality, area or amount of the real estate to be acquired; and/or to partially or fully withdraw or ban the right to real estate acquisition by foreign persons, in line with national interests. Juridical persons with no commercial presence in the Turkish territory, other than incorporated/commercial companies, cannot acquire real estate in Turkey.		
	<u>Monopolies</u> The following sectors are closed to private investments because of the public monopolies: postal services; railways; lotteries in cash, football pools. <u>Public utilities:</u> Economic activities considered as public utilities at the national or local level may be subject to public monopolies or to exclusive rights granted to private operators.		
	4) Unbound except for measures concerning the entry and temporary stay of natural persons in the following categories:	4) The professional services which are assigned only to Turkish citizens by the specific laws cannot be rendered by foreigners either as service providers or as the personnel of service providers. On the other hand, foreign citizens with Turkish origin may work in professions which are assigned only to Turkish citizens with the permission obtained from the Ministry of Labour and Social Security. Those professions which are assigned only to Turkish citizens are given below:	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
		1) Doctors, 2) Pharmacists, 3) Nurses, 4) Veterinarians, 5) Responsible directors of the factories producing medicine, 6) Tourist guides,	
		7) Responsible directors of private hospitals, 8) Directors of newspapers, 9) Dentists, 10) Notaries, 11) Those personnel working in Free Trade Zones other than managers and qualified personnel, 12) Those personnel undertaking coastal commerce and related activities, 13) Doctors, Pharmacists and veterinarians dealing with laboratory services, 14) Lawyers who practice in Turkish Courts, 15) Accountants and Certified Public Accountants	
	<u>Key Personnel, Graduate Trainees and Business Service Sellers:</u> Unbound except as indicated in paragraphs 3 (Key Personnel and Graduate Trainees) and 4 (Business Service Sellers) of Annex A (Temporary Movement of Natural Persons for the Purpose of Supplying Services). In order to work in Turkey as intra-corporate transferees and graduate trainees, foreigners need to obtain work permits from the Ministry of Labour and Social Security in accordance with the legislation concerning the employment of foreigners. In addition to the work permits, the Ministry of Interior gives residence permits for the same personnel for a period parallel to that of work permits.		

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<u>Contractual Service Suppliers and Independent Professionals:</u> Unbound 1-4) Foreign engineers and architects may engage in the provision of engineering and architecture services in Turkey only after becoming a temporary member of the related professional chamber under the Union of Chambers of Turkish Engineers and Architects.		

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
II. SECTOR SPECIFIC COMMITMENTS			
1. BUSINESS SERVICES A. <u>Professional Services</u>			
(a) Legal services (advisory services on foreign and International Law only) (CPC 861**)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	1) None 2) None 3) Representation in the Turkish Courts is assigned only to Turkish nationals. 4) Unbound except as indicated in the horizontal section.	
(b) Accounting, auditing and bookkeeping services (CPC 862)	1) Unbound 2) None 3) Authorized financial advisers ¹ establish their company among themselves after being a member of the related Chamber. Foreign auditing firms and auditors may carry out independent audit in Turkey on the condition that they are authorized by Public Oversight, Auditing and Accounting Standards Authority, in accordance with the principle of reciprocity. 4) Unbound except as indicated in the horizontal section.	1) Unbound 2) None 3) Foreign titles and names cannot be used in the titles of partnerships or corporations among Turkish and Foreign Financial Advisers 4) Turkish citizenship is required for Accountants and Certified Public Accountants.	
(c) Architectural Services (CPC 8671)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	

¹ Foreign financial advisers can be authorized, under reciprocity condition, by the approval of the Prime Minister upon the proposal of the Ministry of Finance. Foreign financial advisers can perform all the accountancy, tax advisory, financial advisory and auditing services without making certification.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(d) Engineering Services (CPC 8672)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	
(e) Integrated Engineering (CPC 8673)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	
(f) Veterinary Services (CPC 932)	1) Unbound 2) None 3) Unbound 4) Unbound except as indicated in the horizontal section.	1) Unbound 2) None 3) Unbound 4) Unbound except as indicated in the horizontal section.	
<u>B. Computer and Related Services</u>			
(CPC 84 excluding CPC 844; 845; and, CPC 849 except for “training services for staff of clients” ² falling under CPC 8499)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section	

² Electrical, electronic and computer engineers must obtain proficiency and qualification certificates from the Continuing Education and On-the-Job Training Center of the Chamber of Electrical Engineers.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<u>C. Research and Development Services</u> - R&D services on natural sciences (CPC 851 except CPC 85102**, CPC 85103, and CPC 85104. Only R&D services on chemistry are covered under CPC 85102.)	1) Unbound 2) None 3) None except juridical persons duly established in Turkey, but which are acting on behalf of foreign natural persons or juridical persons that have no commercial presence in Turkey, are required to obtain prior permission to conduct scientific research activities in the Turkish territory. 4) Unbound except as indicated in the horizontal section. In addition, to conduct scientific research activities in the Turkish territory, foreign natural persons are required to obtain prior permission.	1) Unbound 2) None 3) None except as indicated in the MA column 4) Unbound except as indicated in the horizontal section. In addition, to conduct scientific research activities in the Turkish territory, foreign natural persons are required to obtain prior permission.	
<u>E. Rental/Leasing Services without Operators</u> c. Relating to other transport equipment (CPC 83101+ 83105) d. Relating to other machinery and equipment (CPC 83106-83109)	1) Unbound 2) None 3) None 4) Unbound except indicated in the horizontal section. 1) Unbound 2) None 3) None 4) Unbound except indicated in the horizontal section.	1) Unbound 2) None 3) None 4) Unbound except indicated in the horizontal section. 1) Unbound 2) None 3) None 4) Unbound except indicated in the horizontal section.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
F. Other Business Services			
(a) Advertising services (CPC 871)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	
(b) Market research services (CPC 864)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	
(c) Management consulting services (CPC 865)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	
(e) Technical Testing and Analysis Services, excluding technical testing, analysis and control (inspection) services relating to construction and construction materials ³			
- Composition and purity testing and analysis services (CPC 86761**) ⁴	1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the horizontal section.	1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the horizontal section.	

³ Turkey does not assume any commitments regarding technical testing and analysis services relating to the construction sector, including construction and building control activities performed to ensure that the whole construction process, as well as the construction materials used as inputs in the construction, are in conformity with the technical specifications and standards specified by relevant laws and regulations.

⁴ Only inspection, testing and analysis services of air, water, noise level and vibration level under CPC 86761.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
- Testing and analysis services of physical properties (CPC 86762) - Testing and analysis services of integrated mechanical and electrical components (CPC 86763) - Technical inspection services (CPC 86764)	1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the horizontal section. 1) Unbound 2) Unbound 3) None except establishment of a commercial presence for testing and analysis services regarding automobiles and other motor vehicles is subject to an economic needs test. Main criteria: the number of and impact on existing domestic suppliers, protection of public health, safety, and the environment. 4) Unbound except as indicated in the horizontal section. 1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the horizontal section.	1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the horizontal section. 1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the horizontal section. 1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the horizontal section.	
(f) Services incidental to hunting (CPC 881)	1) Establishment is required 2) None 3) Only travel agencies with a Type-A license may operate in this field with the condition of obtaining hunting licence 4) Unbound except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(h) Services incidental to mining (CPC 883+5115)	1) Establishment is required. 2) None 3) ⁵ None 4) Unbound except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	
(o) Building-cleaning services (CPC 874)	1) Unbound* 2) None 3) None 4) Unbound except as indicated in the horizontal section.	1) Unbound* 2) None 3) None 4) Unbound except as indicated in the horizontal section.	
(q) Packaging services (CPC 876)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	
(r) - Printing (CPC 88442**) - Publishing (CPC 88442**) [Excluding publishing services of newspapers, magazines and publications of news agencies]	1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section. 1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section.	1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section. 1) Unbound 2) None 3) Unbound 4) Unbound except as indicated in the horizontal section.	
(s) Convention services (CPC 87909**)	1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section.	1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section.	

⁵ Petroleum and Mining Laws specify that services incidental to mining require an operating licence.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(t) Other - Translation and interpretation services (CPC 87905)	1) Unbound 2) None 3) None except for translation and interpretation services supplied by sworn/certified interpreters in relation with notary services. - Sworn/certified translation services: unbound 4) Unbound except as indicated in the horizontal section.	1) Unbound 2) None 3) None except as indicated in the MA column. 4) Unbound except as indicated in the horizontal section.	
2. COMMUNICATION SERVICES			
A. <u>Postal Services</u> (CPC 7511)	1),3) Public monopoly ⁶ 2) None 4) Unbound except as indicated in the horizontal section.	1),3) Public monopoly 2) None 4) Unbound except as indicated in the horizontal section.	
B. <u>Courier Services</u> (CPC 7512)	1) None 2) None 3) Through the establishment of incorporated or limited liability companies. 4) Unbound except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	

⁶ Postal monopoly covers, all the open and closed letters and postcards bearing any kind of correspondence without any weight limit. Courier companies may supply services (pick up and delivery of parcels and packages, etc.) that are not covered by the postal monopoly, freely.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
C. <u>Telecommunication</u> (Electronic Communications) <u>Services</u>⁷ (a) Voice telephone services (b) Packet-switched data transmission services (c) Circuit-switched data transmission services (d) Telex services (f) Facsimile services (g) Private leased circuit services (h) Electronic mail (i) Voice mail (j) On-line information and data-base retrieval (k) Electronic data interchange (l) Enhanced/value-added facsimile services, incl. store and forward, store and retrieve (m) Code and protocol (n) On-line information and/or data processing o) Others - Mobile services analog/digital cellular - Paging services - Cable broadcasting⁸ services	1), 3) Other than national public organizations and state-owned enterprises foreseen by law, in order to be authorized, establishment is required in the form of a joint-stock or limited liability company. 2) None 4) Unbound except as indicated in the horizontal section	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section	

⁷ The scope of basic telecommunications in this Schedule does not cover any kind of (analog-digital) radio and TV programme broadcasting services to the public.

⁸ Cable broadcasting services include only the transmission of broadcasting signals but do not include editorial activities relating to content.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
- Satellite Communications Services (VSAT, SCPC VSAT) - Satellite Platform Services - GMPCS services - Infrastructure services - Private/Public Access Mobile Radio Services - Directory Information Services			
(e) Telegraph services	1) General Directorate of PTT is the exclusive service provider. 2) None 3) General Directorate of PTT is the exclusive service provider. 4) Unbound except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	
D. <u>Audio-visual Services</u> (Excluding Broadcasting)			
a) Motion picture and video-tape production and distribution services (CPC 9611)	1) None except establishment of a commercial presence is required for the distribution of motion pictures in physical media (CD, video-tape, etc). 2) None 3) None 4) Unbound except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	
(b) Motion picture projection services (CPC 9612) (by Cinema theatre owners only)	1) Unbound* 2) None 3) None 4) Unbound except as indicated in the horizontal section.	1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(c) Radio and television services (CPC 96131, 96132)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	
(d) Radio and television programme distribution ⁹ services, excluding transmission	1) None except establishment of a commercial presence is required for the distribution of radio and TV programmes in physical media (CD, video-tape, etc). 2) None 3) None 4) Unbound except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	
(e) Sound recording services (For the purposes of this Schedule, sound recording service activities are defined as fixation of a series of musical, spoken, or other sounds in a studio, but not including the sounds accompanying a motion picture, radio or television programme or other audiovisual work.)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	

⁹ For greater certainty, distribution services in this context may include the licensing of radio and television programmes to other service providers for exhibition, broadcast or the transmission, rental, sale or use. Transmission services for radio and television programmes are not covered by this schedule.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
3. CONSTRUCTION AND RELATED ENGINEERING SERVICES (CPC 512, 513, 514+516, 517) CPC 511, 515, 518	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section. 1) Unbound* 2) None 3) None 4) Unbound except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section. 1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section.	
5. EDUCATION SERVICES*¹⁰ A.,B.,E. <u>Primary, Secondary and Other Educational Services</u> (CPC 921, 922, 929)	1), 3) Unbound except for natural and legal foreign persons directly or by establishing partnership with Turkish citizens may establish international educational institutions (including vocational and technical schools) only for foreign students. 2) None 4) Unbound except for foreign teachers and experts may work in primary and secondary educational institutions and in non-formal educational institutions (i.e. in language teaching and vocational training centers) after getting permission from the Ministry of National Education.	1),3) None 2) None 4) Unbound except as indicated in the horizontal section.	

¹⁰ This commitment covers private education services only.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
C. <u>Higher Education Services</u> (CPC 923)	1) None 2) None 3) Private universities are founded by Law and can only be established by foundations constituted under Civil Code. The majority of the administration of such foundations must be Turkish citizens. 4) Unbound except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	
6. ENVIRONMENTAL SERVICES* ¹¹			
A. <u>Sewage Services</u> (CPC 9401)	1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section.	1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section.	
B. <u>Refuse Disposal Services</u> (CPC 9402)	1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section.	1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section.	
C. <u>Sanitation and Similar Services</u> (CPC 9403)	1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section.	1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
D. <u>Other:</u> - Cleaning services of exhaust gases (CPC 9404) - Noise abatement services (CPC 9405)	1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section. 1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section.	1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section. 1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
7. FINANCIAL SERVICES HORIZONTAL COMMITMENTS Measures applicable to supply of services through commercial presence for all sectors in Financial Services:			
<u>Banking</u>	3) Permission to establish a bank which has to be established in the form of a joint-stock company or to open the first branch of a foreign bank in Turkey, shall be given by a decision taken by the Banking Regulation and Supervision Board. A permission to operate should also be received following the consummation of establishment or branch opening transactions, in order to start receiving deposits and/or conducting banking transactions. Lending limits for the branches of foreign banks are based on branch capital rather than worldwide capital.	3) None	
<u>Insurance</u>	3) Insurance and reinsurance companies have to be established in the form of a joint-stock or a mutual company. For the purpose of commencing their operation, insurance and reinsurance companies have to obtain a license from the Undersecretariat of Treasury for each insurance branch in which they would like to operate.	3) None	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<u>Securities market</u>	3) For the establishment and operations of capital market institutions¹¹ permission of the Capital Markets Board is required. Also, banks engaging in capital market activities (investment services) are required to obtain from the Capital Markets Board appropriate authorization certificates for these activities. Establishment of branches and agencies by securities intermediary institutions established in Turkey also requires the Capital Markets Board's permission. Securities intermediary institutions, investment companies, and other capital market institutions with the exception of mutual funds can only be established in the form of a joint-stock company. Establishment of branches and representative offices of foreign non-bank investment firms is not permitted.	3) None	

¹¹ According to the Capital Market Law, capital market institutions are specified as follows:

- (a) Investment firms,
- (b) Collective investment schemes,
- (c) Independent auditors, appraisal companies and rating agencies performing activities in capital market,
- (d) Portfolio management companies
- (e) Mortgage finance corporations,
- (f) Housing finance and asset finance funds,
- (g) Asset lease companies,
- (h) Central clearing institutions,
- (i) Central securities depositories,
- (j) Trade repositories,
- (k) Other capital market institutions, the establishment and operation principles for which are determined by the Capital Markets Board.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
OTHER FINANCIAL SERVICES			
A. <u>Financial leasing service</u>	3) Financial leasing companies (lessors) can only be established in the form of a joint-stock company. Establishing a financial leasing company or opening of first branches in Turkey by companies established abroad is subject to prior permission of the Banking Regulation and Supervision Board. A permission to operate should also be received following the consummation of establishment or branch opening transactions.	3) None	
B. <u>Factoring and consumer financing services</u>	3) Factoring companies and financing companies must be established in the form of a joint-stock company. Establishing a factoring company or a financing company or opening of a branch of a foreign factoring company or finance company is subject to prior permission of the Banking Regulation and Supervision Board. A permission to operate should also be received following the consummation of establishment or branch opening transactions.	3) None	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
C. <u>Authorized institutions</u> (foreign exchange dealers)	3) In order to engage in activities as an authorized institution, the permission of the Undersecretariat of Treasury must be obtained. Authorized institutions must be established in the form of a joint-stock company.	3) None	
D. <u>Precious metals exchange</u>	3) To operate as a Precious Metal Intermediary Institution (PMII) one should obtain permission from Undersecretariat of Treasury. Banks, authorized institutions, joint-stock companies engaging in trade and production of precious metals, branches, which are located in Turkey, of the companies resident abroad engaging in trade and production of precious metals may apply to the Undersecretariat to operate as a PMII. Moreover, it is also possible to apply for permission to the Undersecretariat to operate solely as a precious metal brokerage institution and to be established as a joint stock company to operate as such. To operate in the precious metals market of "Borsa Istanbul Incorporated", investment firms should additionally apply to and comply with the membership requirements of the Exchange.	3) None	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
FINANCIAL SERVICES (SECTOR-SPECIFIC COMMITMENTS)			
<u>Insurance and Insurance-related Services</u>			
(i) Direct insurance	1) None	1),2) A certain per cent of insurance premiums paid by the income and corporate taxpayer as an employer and/or by wage earners for themselves is deducted from gross income in order to determine real taxable income. In order to benefit from this facility, life insurance policies must be concluded with the insurance companies or the branches of foreign insurance companies established in Turkey	
(A) Life	2) None		
	3) None	3) None	
	4) Unbound except as indicated in the horizontal section.	4) Unbound except as indicated in the horizontal section.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(B) Non-life	1),2) Unbound except: (a) The hull insurance of aircrafts, helicopters and ships which are purchased through a foreign loan or leased through a financial leasing contract from abroad, provided that the insurance period is limited to the term of the credit or leasing contract; (b) marine liability insurance; (c) transportation insurance of imported and exported goods; (d) personal injury, sickness, health and motor vehicle insurance, limited to the time during which people will be abroad or temporarily staying abroad, (e) insurance of ships and yachts registered with the Turkish International Maritime Registry. 3) None 4) Unbound except as indicated in the horizontal section.	1),2) None 3) None 4) Unbound except as indicated in the horizontal section.	
(ii) Reinsurance and retrocession	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(iii) Insurance intermediation such as brokerage and agency	1),2) Unbound for intermediaries (agents and brokers) except the ones dealing with life insurance and non-life insurance categories indicated in the “(i)(B) Non-life” section and reinsurance brokers. 3) Establishing an insurance and reinsurance broker company or opening a branch of a foreign insurance and reinsurance broker company is subject to prior permission and an operation license obtained from Undersecretariat of Treasury. Such a firm must be established in the form of a joint-stock or limited liability company and must possess the required minimum paid-in capital and have at least 5 years of experience in brokerage business. 4) None except natural person insurance and reinsurance brokers have to reside in Turkey and they must have at least 5 years of experience in brokerage business, and natural person agents have to reside in Turkey.	1),2) None 3) None 4) None except natural person agents, and natural person insurance and reinsurance brokers have to reside in Turkey.	
(iv) Services auxiliary to insurance, such as consultancy, actuarial, risk assessment and claim settlement services	1),2) None except adjusters and actuaries. 3) None 4) None except adjusters and actuaries.	1),2) None 3) None 4) Unbound except as indicated in the horizontal section.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<u>Banking and Other Financial Services</u> <u>(excluding insurance)</u>			
(v) Acceptance of deposits and other repayable funds from the public	1) Unbound 2) None 3) No natural person or legal entity other than credit institutions or those authorized under specific regulations can accept deposits. 4) Unbound except as indicated in the horizontal section.	1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section.	
(vi) Lending of all types including consumer credit, mortgage credit, factoring and financing of commercial transaction			
(A) Consumer credit	1) Unbound 2) None 3) Banks and financing companies can lend consumer credits. 4) Unbound except as indicated in the horizontal section.	1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section.	
(B) Factoring	1) Unbound 2) None 3) Banks and factoring companies can engage in factoring activities. 4) Unbound except as indicated in the horizontal section.	1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(C) Mortgage credit	1) Unbound 2) None 3) Financial leasing companies and financing companies which are found eligible to operate in housing finance by the Banking Regulation and Supervision Agency can engage in trading of mortgage credits. Also banks can engage in trading of these activities. 4) Unbound except as indicated in the horizontal section.	1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section.	
(D) Financing of commercial transactions	1) Unbound 2) None 3) Banks, financial leasing companies, factoring companies, and financing companies can engage in these activities. 4) Unbound except as indicated in the horizontal section.	1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section.	
(vii) Financial leasing	1) Unbound 2) None 3) Banks which are not authorized to accept deposits and financial leasing companies can engage in financial leasing transactions. 4) Unbound except as indicated in the horizontal section.	1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(viii) All payment and money transmission services, including credit and debit cards and travellers cheques	1) Unbound 2) None 3) All payment and money transmission services can only be conducted by banks and institutions authorised in accordance with the “Law on Payments and Securities Settlement Systems, Payment Services and Electronic Money Institutions”. Credit and debit cards services can only be provided by banks. Transfers of foreign exchange abroad must be carried out through the banking system. 4) Unbound except as indicated in the horizontal section.	1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section.	
(ix) Guarantees and commitments	1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section.	1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(x) Trading for own account or for account of customers, whether on an exchange, in an over-the-counter market or otherwise, the following:			
(A) Money market instruments (including cheques and bills)	1) Unbound 2) None 3) The trading of money market instruments can be performed by both banks and securities intermediary institutions; however, securities intermediary institutions cannot engage in the trading of cheques and bills. 4) Unbound except as indicated in the horizontal section.	1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section.	
(B) Foreign exchange	1) Unbound 2) None 3) Banks, exchange offices, and, securities intermediary institutions (limited to investment services and activities) can engage in foreign exchange trading. 4) Unbound except as indicated in the horizontal section.	1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(C) Derivative products	1) Unbound 2) None 3) Authorized banks and securities intermediary institutions can engage in trading of these products in compliance with CMB secondary legislation. Banks cannot perform leveraged transactions on foreign exchange and precious metals. 4) Unbound except as indicated in the horizontal section.	1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section.	
(D) Exchange rate and interest rate instruments	1) Unbound 2) None 3) Authorized banks and securities intermediary institutions can engage in trading of exchange rate and interest rate instruments in the organized markets and over-the-counter markets. 4) Unbound except as indicated in the horizontal section.	1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section.	
(E) Transferable securities	1) Unbound 2) None 3) Banks and securities intermediary institutions can engage in trading of these products. However, banks can not engage in equity trading on exchange or other organized alternative trading facilities markets. 4) Unbound except as indicated in the horizontal section.	1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(F) Other negotiable instruments and financial assets, including bullion	1) Unbound 2) None 3) Banks and related intermediary institutions can engage in trading of these products. 4) Unbound except as indicated in the horizontal section.	1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section.	
(xi) Underwriting and placement	1) Unbound 2) None 3) Development and Investment Banks, and securities intermediary institutions can provide underwriting and placement services for the securities to be issued after being registered by the Capital Markets Board. 4) Unbound except as indicated in the horizontal section.	1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section.	
(xii) Money broking	1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section.	1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(xiii) Asset management such as [cash] or portfolio management, all forms of collective investment management, pension fund management, custodial depository and trust services (A) Portfolio management	1) Unbound 2) None 3) Development and Investment Banks, securities intermediary institutions (limited with individual portfolios) and portfolio management companies can provide these services. 4) Unbound except as indicated in the horizontal section.	1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(B) Collective investment management	1),2) None 3) Investment companies can manage their own portfolios. Portfolio management companies can engage in collective investment management. Investment funds should be managed by an authorized management company. 4) Unbound except as indicated in the horizontal section.	1),2) None 3) None 4) Unbound except as indicated in the horizontal section.	
(C) Pension fund management	1) Unbound 2) None 3) Portfolio management companies established in Turkey can provide these services. 4) Unbound except as indicated in the horizontal section.	1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section.	
(D) Custodial, depository and trust services	1) Unbound 2) None 3) Authorized banks and securities intermediary institutions operating in capital market can provide custodial services for their customers' securities, provided that related depository accounts are kept by Central Registry Agency. 4) Unbound except as indicated in the horizontal section.	1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(xiv) Settlement and clearing services for financial assets, including securities, derivative products, and cheques	1) Unbound 2) None 3) Only Takasbank A.S. can provide securities settlement and clearing services. Only the Interbank Clearing Houses Center (ICH) can provide check clearing services. 4) Unbound except as indicated in the horizontal section.	1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section.	
(xv) Provision and transfer of financial information	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	
- Financial data processing and provision and transfer of related software by suppliers of other financial services	1) Unbound 2) None 3) Financial institutions are obliged to maintain both primary and secondary information systems ¹² at their own premises for the storage and processing of financial data. 4) Unbound except as indicated in the horizontal section.	1) Unbound 2) None 3) Unbound 4) Unbound except as indicated in the horizontal section.	

¹² Primary systems are comprised of infrastructure, hardware, software and data which ensure the execution of financial activities as well as the recording and use of information in electronic media in a secure manner and as to be accessed when needed. Secondary systems are primary system substitutes.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(xvi) Advisory, intermediation and other auxiliary financial services on all the activities listed in subparagraphs (v) through (xv), including credit reference and analysis, investment and portfolio research and advice on acquisitions and on corporate restructuring and strategy	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	
8. HEALTH RELATED AND SOCIAL SERVICES A. <u>Hospital Services</u> (CPC 9311)	1) Unbound* 2) None 3) Foreigners may establish private hospitals with the permission of Ministry of Health. 4) Unbound except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
9. TOURISM AND TRAVEL RELATED SERVICES A. <u>Hotels and restaurants</u> (CPC 641-643)	1) Unbound* 2)¹³None 3) None 4) After receiving the permission of the Ministry of Labour and Social Security based on the affirmative opinions of the Ministry of Interior and the Ministry of Culture and Tourism, the hotels and restaurants with the tourism encouragement certificate, may employ foreign personnel. But the amount of foreign personnel that would be employed in an enterprise should not exceed 10 per cent of the total personnel. This amount could be increased up to 20 per cent by the decision of the Ministry of Culture and Tourism.	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	
B. <u>Travel Agencies and Tour Operators Services</u> (CPC 7471)	1) Commercial presence is required. 2) None 3) None 4) Unbound except as indicated in the horizontal section.	1) Foreign travel agencies may not organize tours abroad. 2) None 3) None 4) Unbound except as indicated in the horizontal section.	

¹³ Turkish citizens may travel abroad without any restriction. Only, they are required to pay, with certain exceptions, a TL amount equivalent of up to \$US 100 fee for each exit.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
10. RECREATIONAL, CULTURAL AND SPORTING SERVICES A. <u>Entertainment services (including theatre and live bands)</u> - Theatrical producer, singer group, band and orchestra entertainment services (CPC 96191)	1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section.	1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
11. TRANSPORT SERVICES A. <u>Maritime Transport Services Except Cabotage</u> ¹⁴ (a) Passenger transportation (CPC 7211)	1) None 2) None 3) ¹⁵ In order to fly the Turkish flag, the shipping companies must have the majority of 51 per cent Turkish shareholders. 4) Captain and crew of the Turkish flag vessels should be Turkish citizens.	1) None 2) None 3) None 4) Turkish nationality is required for captain and crew.	
b) Freight transportation (CPC 7212)	1) None 2) None 3) ¹⁵ In order to fly the Turkish flag, the shipping companies must have the majority of 51 per cent Turkish shareholders. 4) Captain and crew of the Turkish flag vessels should be Turkish citizens.	1) None 2) None 3) None 4) Turkish nationality is required for captain and crew.	
(c) Rental of vessels with crew (CPC 7213)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	1) Vessels rented by foreigners may not operate inside the Turkish coastal waters. These kinds of vessels are considered as foreign vessels and cannot fly the Turkish flag. 2) None 3) None 4) Unbound except as indicated in the horizontal section.	

¹⁴ According to the “Law Concerning Coastal Shipping (Cabotage) along Turkish Shores and Performance of Trade and Business in Turkish Ports and Territorial Waters” (Law No: 815), “the right to transport goods and passengers from one point to another along Turkish shores and to perform towing and piloting, and all other port services of any type, whatsoever, within or between Turkish ports and shores shall belong exclusively to ships and vessels flying the Turkish flag”.

¹⁵ All Turkish ships shall fly the Turkish flag. A ship shall be regarded as Turkish only if its owner (or owners) is/are Turkish. However, the following ships shall also be considered as Turkish: i) Ships which belong to legal persons such as bodies, institutions, associations and foundations set up in accordance with Turkish Law, the majority of whose Board of Directors are of Turkish nationality; ii) Ships which belong to the trading companies, the majority of whose managerial staff and representatives are of Turkish nationality and are registered on the Turkish Trade Register.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
d) Maintenance and repair of vessels (CPC 8868)	1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the horizontal section.	1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section.	
C. <u>Air Transport Services</u>			
(a) Selling of air transport services	1) Foreign airline companies may sell their tickets by opening sales offices in Turkey. 2) None 3) None 4) Unbound except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	
(b) Computer reservation systems	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	
(c) Maintenance and repair of aircraft (CPC 8868)	1) None 2) None 3) Authorization from the Ministry of Transport, Maritime Affairs and Communications is necessary to perform functions for the maintenance and repair of aircraft. 4) Unbound except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
E. <u>Rail Transport Services</u> (CPC 7111, 7112)	1) Internal rail transportation is a public monopoly. 2) None 3) Internal rail transportation is a public monopoly. 4) Unbound except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	
F. <u>Road Transport Services</u> (a) Passenger transportation (CPC 7121 + 7122) (b) Freight transportation (CPC 7123)	1) Unbound 2) None 3) Turkish citizenship or being a legal entity established under the relevant Turkish laws are required for obtaining a carrier licence given by the Ministry of Transport, Maritime Affairs and Communications in order to become an international transporter. 4) Unbound except as indicated in the horizontal section.	1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section.	