

ANNEX I
SCHEDULE OF BAHRAIN

Sectors:	Certain Sectors
Obligation Concerned:	Local Presence (Article 10.5)
Level of Government:	Central
Existing Measures:	<i>Legislative Decree No. 1 of 1961, the Commercial Register Law, as amended.</i>
Description:	Except where the service is supplied on behalf of a Bahraini enterprise, in order for persons of the other Party to supply a service in the following sectors, through the presence of a natural person in the territory of Bahrain, such persons must maintain a place of business in Bahrain in order to comply with commercial registration requirements: Accounting, Financial Auditing, Bookkeeping, and Related Services; Advertising Services; Architectural and Engineering Services; Car Rental Services; Census, Market Research, and Public Opinion Polling; Construction Services and Construction Related Services; Consultancy and Management Services; Debt Collection Services; Legal Services; Private Security Guard Services; Publishing and Printing; Real Estate Services; Services Incidental to Mining; Small Business Services; Terrestrial over the Air Radio, Television, and Satellite Transmission and Subscription Services in the Territory of Bahrain; Tourism – Hotel Operations and Management; Transportation Services; Travel Agency Tour Operators and Tourist Guide Services; and Wholesale and Retail Services. Notwithstanding paragraph 1, each U.S. service supplier who is licensed and authorized in the United States to supply the following professional services may apply for up to three temporary licenses to supply such services through the presence of

natural persons in the territory of Bahrain without having to maintain a place of business in Bahrain. Each temporary license shall be for an initial period of 12 months, and may be renewed for a further period of up to 12 months:

Accounting, Book-keeping and Related Services;
Architectural and Engineering Services;
Construction and Construction Related Services;
Consultancy and Management Services;
Services Incidental to Mining; and
Terrestrial over the Air Radio, Television, and Satellite
Transmission and Subscription Services in the Territory of
Bahrain.

For greater certainty, such temporary licenses shall be granted in accordance with Article 10.7 (Domestic Regulation).

Phase out:

Within three years of the date of entry into force of this Agreement, Bahrain will phase out the local presence requirement in the following sectors:

Advertising Services;
Car Rental Services;
Consultancy and Management Services;
Debt Collection Services;
Transportation Services; and
Travel Agency Tour Operators and Tourist Guide Services.

Within seven years of the date of signature of this Agreement, Bahrain will phase out the local presence requirement in the following sectors:

Accounting, Financial Auditing, and Bookkeeping Services;
Architectural and Engineering Services;
Services Incidental to Mining; and
Construction and Construction Related Services.

For greater certainty, nothing in this non-conforming measure shall be construed to permit Bahrain to prohibit the cross-border supply of services, as defined in subparagraphs (a) and (b) of Article 10.13 (Definitions), in any sector.

Sector:	Legal Services
Obligations Concerned:	National Treatment (Article 10.2) Most-Favored-Nation Treatment (Article 10.3)
Level of Government:	Central
Measures:	<i>Legislative Decree No. 26 of 1980 with respect to Promulgating the Legal Practice Act, as amended;</i> <i>Legislative Decree No. 3 of 1983 Concerning the Treatment to be Afforded to GCC Nationals in Respect of Economic Activities in Bahrain, as amended;</i> <i>Legislative Decree No. 24 of 1987 with respect to approving the Charter of the Arabian Gulf States Co-operation Council, as amended; and</i> <i>Legislative Decree No. 7 of 2002 with respect to approving the Economic Agreement Between the GCC Member States.</i>
Description:	Only qualified lawyers who are citizens of Bahrain or the Gulf Cooperation Council (GCC) Member States and licensed by the Bahraini authorities may supply legal services in the territory of Bahrain, including representing clients before law courts, arbitration tribunals, police departments, and administrative commissions of a judicial nature in the territory of Bahrain. Notwithstanding paragraph 1, non-Bahraini and non-GCC lawyers, resident in Bahrain, may supply legal services in the territory of Bahrain, other than representing clients before law courts, arbitration tribunals, police departments, and administrative commissions of a judicial nature, if employed by a lawyer licensed to practice law in Bahrain. For greater certainty, legal consultants of the other Party, either as individuals or firms, may supply legal services in Bahrain, with respect to the laws of countries other than Bahrain, upon obtaining a license from the Bahraini authorities, if the individual providing the legal advice is licensed to practice in the jurisdiction with respect to which he is providing the advice.

Sector:	Advertising
Obligations Concerned:	National Treatment (Article 10.2) Most-Favored-Nation Treatment (Article 10.3)
Level of Government:	Central
Measures:	<i>Ministerial Order No. 4 of 1995 with respect to determining the Activities Undertaken by Closed Joint Stock Companies and Companies With Limited Liability Fully Owned by Non-Bahrainis;</i> <i>Article 347 of Legislative Decree No. 21 of 2001, The Commercial Companies' Law; and</i> <i>Legislative Decree No. 47 of 2002 with respect to Regulating the Press, Printing and Publications.</i>
Description:	Non-Bahraini or non-GCC persons may provide advertising services in the territory of Bahrain only through: (a) a branch office of a foreign company as provided by Article 347 of <i>Legislative Decree No. 21 of 2001, The Commercial Companies' Law</i>; or (b) a 100 percent foreign owned company established in Bahrain that is either a Joint Closed Stock Company or a With Limited Liability Company, which uses Bahrain as a principal place for the distribution of its services. Such entities must be managed by a Bahraini citizen who is permanently resident in Bahrain. For greater certainty, this non-conforming measure only applies to advertising services involving the creation or public transmission of advertising in the territory of Bahrain. Nothing in this non-conforming measure shall be construed to allow Bahrain to prohibit U.S. service suppliers outside the territory of Bahrain who do not maintain an office in Bahrain from selling advertising space on programming being transmitted into Bahrain via satellite to a Bahraini person in the territory of Bahrain.
Phase-out:	This non-conforming measure shall be phased-out within five years of the date of entry into force of this Agreement.

Sector:	Publishing – Local Newspapers and Periodicals
Obligations Concerned:	National Treatment (Article 10.2)
Level of Government:	Central
Measures:	<i>Legislative Decree No. 47 of 2002 with respect to Regulating the Press, Printing and Publications.</i>
Description:	Only Bahraini citizens may publish local newspapers and local periodicals in the territory of Bahrain. For greater certainty, only Bahraini citizens may own local media enterprises.

Sector:	Publishing
Obligations Concerned:	National Treatment (Article 10.2) Most-Favored-Nation Treatment (Article 10.3)
Level of Government:	Central
Measures:	<i>Ministerial Order No. 4 of 1995 with respect to determining the Activities Undertaken by Closed Joint Stock Companies and Companies With Limited Liability Fully Owned by Non-Bahrainis;</i> <i>Article 347 of Legislative Decree No. 21 of 2001, The Commercial Companies' Law; and</i> <i>Legislative Decree No. 47 of 2002 with respect to Regulating the Press, Printing and Publications.</i>
Description:	Non-Bahraini or non-GCC persons may supply publishing services in the territory of Bahrain only through: (a) a branch office of a foreign company as provided by Article 347 of <i>Legislative Decree No. 21 of 2001, The Commercial Companies' Law</i>; or (b) a 100 percent foreign owned company established in Bahrain that is either a Joint Closed Stock Company or a With Limited Liability Company, which uses Bahrain as a principal place for the distribution of its services. Such entities must be managed by a Bahraini citizen who is permanently resident in Bahrain.
Phase-out:	This non-conforming measure shall be phased out within five years of the date of entry into force of this Agreement.

Sector:	Freight and Cargo Services
Obligations Concerned:	Market Access (Article 10.4)
Level of Government:	Central
Measures:	<i>The Law of Ports of 1962</i> , as amended.
Description:	The Government of Bahrain reserves the right to be the exclusive supplier of cargo handling services at government-owned ports and/or to limit the number of concessions for the supply of such services. Although vessels that are equipped with cargo handling gear may perform their own loading and unloading using the vessel's crew, subject to prior authorization, customary port tariffs including cargo handling fees will be assessed to the vessel's master.

Sector:	Customs Clearance Services
Obligations Concerned:	National Treatment (Article 10.2) Most-Favored-Nation Treatment (Article 10.3)
Level of Government:	Central
Measures:	<i>Legislative Decree No. 10 of 2002 with respect to approving the Customs Regulation (Law) of the GCC Member States.</i>
Description:	Only Bahrain and GCC persons may supply customs clearance services.

Sector:	Pilotage and Berthing Services
Obligations Concerned:	National Treatment (Article 10.2)
Level of Government:	Central
Measures:	<i>Legislative Decree No. 23 of 1982 promulgating the Maritime Code</i> , as amended.
Description:	Only Bahraini-flagged vessels may supply towing services, and only Bahraini nationals may supply pilotage services, in Bahrain's territorial waters.

Sector:	Coastal Water Transportation Services
Obligations Concerned:	National Treatment (Article 10.2)
Level of Government:	Central
Measures:	<i>Legislative Decree No. 23 of 1982 promulgating the Maritime Code</i> , as amended.
Description:	Only Bahraini-flagged vessels may supply coastal water transportation services, as well as water transportation between Bahrain seaports.

Sector:	Energy Services – Wholesale distribution of petroleum products
Obligations Concerned:	Market Access (Article 10.4)
Level of Government:	Central
Measures:	<i>Legislative Decree No. 25 of 1980 establishing the Supreme Oil Council.</i>
Description:	Only the state-owned Bahrain Petroleum Company may engage in the wholesale distribution of petroleum products.

Sector:	Energy Services – Water Distribution Services
Obligations Concerned:	Market Access (Article 10.4)
Level of Government:	Central
Measures:	<i>Legislative Decree No. 1 of 1996 with respect to Electricity and Water.</i>
Description:	Only the Government of Bahrain may supply water distribution services through pipelines.

Sector:	Energy Services – Electricity Distribution Services
Obligations Concerned:	Market Access (Article 10.4)
Level of Government:	Central
Measures:	<i>Legislative Decree No. 1 of 1996 with respect to Electricity and Water.</i>
Description:	Only the Government of Bahrain may supply electricity distribution and transmission services.

Sector:	Telecommunication Services
Obligations Concerned:	Local Presence (Article 10.5)
Level of Government:	Central
Measures:	<i>Legislative Decree No. 1 of 1961, the Commercial Register Law, as amended; and Legislative Decree No. 48 of 2002, the Telecommunications Law.</i>
Description:	Where a license is required to supply telecommunication services in the territory of Bahrain, Bahrain requires that: (a) the licensed applicant be a juridical entity, or a branch of a foreign company incorporated or licensed to operate in the territory of Bahrain; and (b) substantially all the infrastructure and personnel associated with the supply of the service be located in the territory of Bahrain.

Sector:	Telecommunication Services
Obligations Concerned:	Market Access (Article 10.4)
Level of Government:	Central
Measures:	<i>Legislative Decree No. 48 of 2002, the Telecommunications Law.</i>
Description:	Bahrain reserves the right to limit the number of telecommunication service suppliers in the mobile telecommunications sector to two operators until 31December 2005.

Sector:	Real Estate Services
Obligations Concerned:	National Treatment (Article 10.2)
Level of Government:	Central
Measures:	<i>Legislative Decree No. 7 of 1987, the Law of Commerce, as amended; and Article 347 of Legislative Decree No. 21 of 2001, the Commercial Companies' Law.</i>
Description:	In order to supply real estate services in the territory of Bahrain, non-Bahraini citizens must have a Bahraini partner who holds at least 51 percent of the capital of the business; or establish a branch office of a foreign enterprise in the territory of Bahrain.

Sector:	Islamic Pilgrimage Services
Sub-sector:	Islamic Pilgrimages
Industry Classification:	
Obligations Concerned:	National Treatment (Article 10.2)
Level of Government:	Central
Measures:	<i>Legislative Decree No. 26 of 1976 with respect to Regulating the Affairs of Hajj and Umra, as amended.</i>
Description:	Only Bahraini citizens resident in Bahrain may supply Hajj and Umra services.

ANNEX I
FORMATTING NOTE

1. The Schedule of a Party to this Annex sets out, pursuant to Article 10.6 (Non-Conforming Measures), a Party's existing measures that are not subject to some or all of the obligations imposed by:
 - (a) Article 10.2 (National Treatment);
 - (b) Article 10.3 (Most-Favored-Nation Treatment);
 - (c) Article 10.4 (Market Access); or
 - (d) Article 10.5 (Local Presence).
2. Each Schedule entry sets out the following elements:
 - (a) **Sector** refers to the sector for which the entry is made;
 - (b) **Obligations Concerned** specifies the obligation(s) referred to in paragraph 1 that, pursuant to Article 10.6.1(a) (Non-Conforming Measures), do not apply to the non-conforming aspects of the law, regulation, or other measure identified in the **Measures** element of an entry in the Schedule of the United States, and to the non-conforming aspects of a law, regulation, or other measure that are set out in the **Description** element of an entry in the Schedule of Bahrain;
 - (c) **Level of Government** indicates the level of government maintaining the scheduled measure(s);
 - (d) **Measures** identifies the laws, regulations, or other measures for which the entry is made. A measure cited in the **Measures** element:
 - (i) means the measure as amended, continued, or renewed as of the date of entry into force of this Agreement, and
 - (ii) includes any subordinate measure adopted or maintained under the authority of and consistent with the measure;
 - (e) **Description**, for Bahrain, sets out the non-conforming aspects of the measure for which the entry is made; and **Description**, for the United States, provides a general, nonbinding, description of the measure for which the entry is made.

3. In accordance with Article 10.6.1(a) (Non-Conforming Measures), and subject to Article 10.6.1(c) (Non-Conforming Measures), the articles of this Agreement specified in the **Obligations Concerned** element of an entry do not apply to the non-conforming aspects of the law, regulation, or other measure identified in the **Measures** element of that entry in the Schedule of the United States, and to the non-conforming aspects of a law, regulation, or other measure that are set out in the **Description** element of that entry in the Schedule of Bahrain.

ANNEX I
SCHEDULE OF THE UNITED STATES

Sector:	Business Services
Obligations Concerned:	National Treatment (Article 10.2) Local Presence (Article 10.5)
Level of Government:	Central
Measures:	<i>Export Trading Company Act of 1982</i> , 15 U.S.C. §§ 4011-4021 15 C.F.R. Part 325
Description:	Title III of the <i>Export Trading Company Act of 1982</i> authorizes the Secretary of Commerce to issue “certificates of review” with respect to export conduct. The Act provides for the issuance of a certificate of review where the Secretary determines, and the Attorney General concurs, that the export conduct specified in an application will not have the anticompetitive effects proscribed by the Act. A certificate of review limits the liability under federal and state antitrust laws in engaging in the export conduct certified. Only a “person” as defined by the Act can apply for a certificate of review. “Person” means “an individual who is a resident of the United States; a partnership that is created under and exists pursuant to the laws of any State or of the United States; a State or local government entity; a corporation, whether organized as a profit or nonprofit corporation, that is created under and exists pursuant to the laws of any State or of the United States; or any association or combination, by contract or other arrangement, between such persons.” A foreign national or enterprise may receive the protection provided by a certificate of review by becoming a “member” of a qualified applicant. The regulations define “member” to mean “an entity (U.S. or foreign) that is seeking protection under the certificate with the applicant. A member may be a partner in a partnership or a joint venture; a shareholder of a corporation; or a participant in an association, cooperative, or other form of profit or nonprofit organization or relationship, by contract or other arrangement.”

Sector:	Business Services
Obligations Concerned:	National Treatment (Article 10.2) Local Presence (Article 10.5)
Level of Government:	Central
Measures:	<i>Export Administration Act of 1979, as amended</i>, 50 U.S.C. app. §§ 2401-2420 <i>International Emergency Economic Powers Act</i>, 50 U.S.C. §§ 1701-1706 <i>Export Administration Regulations</i>, 15 C.F.R. Parts 730 through 774
Description:	With some limited exceptions, exports and reexports of commodities, software, and technology subject to the Export Administration Regulations require a license from the Bureau of Industry and Security, U.S. Department of Commerce (BIS). Certain activities of U.S. persons, wherever located, also require a license from BIS. An application for a license must be made by a person in the United States. In addition, release of controlled technology to a foreign national in the United States is deemed to be an export to the home country of the foreign national and requires the same written authorization from BIS as an export from the territory of the United States.

Sector:	Air Transportation
Obligations Concerned:	National Treatment (Article 10.2) Most-Favored-Nation Treatment (Article 10.3) Local Presence (Article 10.5)
Level of Government:	Central
Measures:	49 U.S.C., Subtitle VII, Aviation Programs 49 U.S.C. § 41703 14 C.F.R. Part 375
Description:	1. Authorization from the Department of Transportation is required for the provision of specialty air services in the territory of the United States.* 2. “Foreign civil aircraft” require authority from the Department of Transportation to conduct specialty air services in the territory of the United States. “Foreign civil aircraft” are aircraft of foreign registry or aircraft of U.S. registry that are owned, controlled, or operated by persons who are not citizens or permanent residents of the United States (14 C.F.R. § 375.1). Under 49 U.S.C. § 40102(15), a citizen of the United States means an individual who is a U.S. citizen or a partnership in which each member is a U.S. citizen or a U.S. corporation of which the president and at least two-thirds of the board of directors and other managing officers are U.S. citizens, which is under the actual control of U.S. citizens, and in which at least 75 percent of the voting interest in the corporation is owned or controlled by U.S. citizens. *A person of Bahrain will be able to obtain such an authorization given Bahrain’s acceptance of the U.S. definition of specialty air in Chapter 10 (Cross-Border Trade in Services).

Sector:	Transportation Services - Customs Brokers
Obligations Concerned:	National Treatment (Article 10.2) Local Presence (Article 10.5)
Level of Government:	Central
Measures:	19 U.S.C. § 1641(b)
Description:	A customs broker's license is required to conduct customs business on behalf of another person. Only U.S. citizens may obtain such a license. For greater certainty, a corporation, association, or partnership established under the law of any state may receive a customs broker's license if at least one officer of the corporation or association, or one member of the partnership, holds a valid customs broker's license.

Sector:	Professional Services - Patent Attorneys, Patent Agents, and Other Practice before the Patent and Trademark Office
Obligations Concerned:	National Treatment (Article 10.2) Most-Favored-Nation Treatment (Article 10.3) Local Presence (Article 10.5)
Level of Government:	Central
Measures:	35 U.S.C. Chapter 3 (practice before the U.S. Patent and Trademark Office) 37 C.F.R. Part 10 (representation of others before the U.S. Patent and Trademark Office)
Description:	As a condition to be registered to practice for others before the U.S. Patent and Trademark Office (USPTO): (a) a patent attorney must be a U.S. citizen or an alien lawfully residing in the United States (37 C.F.R. § 10.6(a)); (b) a patent agent must be a U.S. citizen, an alien lawfully residing in the United States, or a non-resident who is registered to practice in a country that permits patent agents registered to practice before the USPTO to practice in that country; the latter is permitted to practice for the limited purpose of presenting and prosecuting patent applications of applicants located in the country in which he or she resides (37 C.F.R. § 10.6(c)); and (c) a practitioner in trademark and non-patent cases must be an attorney licensed in the United States, a “grandfathered” agent, an attorney licensed to practice in a country that accords equivalent treatment to attorneys licensed in the United States, or an agent registered to practice in such a country; the latter two are permitted to practice for the limited purpose of representing parties located in the country in which he or she resides (37 C.F.R. § 10.14(a)-(c)).

Sector:	All Sectors
Obligations Concerned:	National Treatment (Article 10.2) Most-Favored-Nation Treatment (Article 10.3) Local Presence (Article 10.5)
Level of Government:	Regional
Measures:	All existing non-conforming measures of all states of the United States, the District of Columbia, and Puerto Rico