

Quantitative Restrictions and Other Items

1. The Schedule of a Party sets out the non-discriminatory quantitative restrictions maintained by that Party pursuant to Article 1207.
2. Each entry sets out the following elements:
 - (a) **Sector** refers to the general sector in which the quantitative restriction is maintained;
 - (b) **Sub-Sector** refers to the specific sector in which the quantitative restriction is maintained;
 - (c) **Industry Classification** refers, where applicable, to the activity covered by the quantitative restriction according to domestic industry classification codes;
 - (d) **Level of Government** indicates the level of government maintaining the quantitative restriction;
 - (e) **Measures** identifies the measures under which the quantitative restriction is maintained; and
 - (f) **Description** sets out the scope of the sector, sub-sector or activities covered by the quantitative restriction.
3. For purposes of this Annex:

CMAP means Clasificación Mexicana de Actividades y Productos (CMAP) numbers as set out in Instituto Nacional de Estadística, Geografía e Informática, *Clasificación Mexicana de Actividades y Productos*, 1988;

CPC means Central Product Classification (CPC) numbers as set out in Statistical Office of the United Nations, Statistical Papers, Series M, No. 77, *Provisional Central Product Classification*, 1991; and

SIC means:

- (a) with respect to Canada, Standard Industrial Classification (SIC) numbers as set out in Statistics Canada, *Standard Industrial Classification*, fourth edition, 1980; and
- (b) with respect to the United States, Standard Industrial Classification (SIC) numbers as set out in the United States Office of Management and Budget, *Standard Industrial Classification Manual*, 1987.

Schedule of Canada

Sector:	Communications
Sub-Sector:	Postal Services
Industry Classification:	SIC 4841- Postal Service Industry
Level of Government:	Federal
Measures:	<i>Canada Post Corporation Act</i> , R.S.C. c. C-10 <i>Letter Definition Regulations</i> , SOR/83-481

Description: Canada Post Corporation has the exclusive privilege to collect, transmit and deliver "letters", as defined in the *Letter Definition Regulations*, addressed in Canada, and its consent is required for other persons to sell stamps.

Sector: Communications

Sub-Sector: Radiocommunications

Industry Classification: CPC 752 - Telecommunications

Level of Government: Federal

Measures: *Radiocommunication Act*, R.S.C. 1985, c. R-2

Description: A person that proposes to operate a private radio transmission system must obtain a license from the Department of Communications. The issuance of such a license is subject to spectrum availability and policies regarding its use. In general, priority is given to the use of the spectrum for the purpose of developing non-private networks.

Sector: Energy

Sub-Sector: Electricity Transmission

Industry Classification: SIC 4911 - Electric Power Systems Industry

Level of Government: Federal

Measures: *National Energy Board Act ,*
R.S.C. 1985, c. N-7

Description: The approval of the National Energy Board is required for the construction and operation of international electricity transmission lines.

Sector: Energy

Sub-Sector: Oil and Gas Transportation

Industry Classification: SIC 461- Pipeline Transport Industry

Level of Government: Federal

Measures: *National Energy Board Act ,*
R.S.C. 1985, c. N-7

Description: The approval of the National Energy Board (NEB) is required for the construction and operation of all interprovincial or international pipelines for the transmission of oil or gas. A public hearing must be held and a certificate of public convenience and necessity issued where the pipeline in question is longer than 40 kilometers. Pipelines shorter than 40 kilometers may be authorized by an order without a public hearing. All modifications to and extensions of pipelines must be approved by the NEB.

All tolls for the transmission of oil and gas on NEB-regulated pipelines and all tariff matters must be filed with or approved by the NEB. A public hearing may be held to consider toll and tariff matters.

Sector: Food, Beverage and Drug Industries

Sub-Sector: Liquor, Wine and Beer Stores

Industry Classification: 6021 - Liquor Stores
6022 - Wine Stores
6023 - Beer Stores

Level of Government: Federal

Measures: *Importation of Intoxicating Liquors Act*, R.S.C. 1985, c. I-3

Description: The *Importation of Intoxicating Liquors Act* gives each provincial government an import monopoly on any intoxicating liquors entering its territory.

Sector: Transportation

Sub-Sector: Land Transportation

Industry Classification: SIC 457 - Public Passenger Transit Systems

Level of Government: Federal (administration delegated to provinces)

Measures: *National Transportation Act, 1987*, R.S.C. 1985, c. 28 (3rd Supp.)

Description: Provincial transport boards have been delegated the authority to permit persons to provide extra-provincial (inter-provincial and cross-border) bus services in their respective provinces and territories on the same

basis as local bus services. All provinces, except New Brunswick, Prince Edward Island and Yukon Territory, permit the provision of local and extra-provincial bus services on the basis of a public convenience and necessity test.

Schedule of Mexico

Sector:	Communications
Sub-Sector:	Telecommunications
Industrial Classification:	CMAP 720006 - Other Telecommunications Services (limited to private networks)
Level of Government:	Federal
Measures:	<i>Ley de Vías Generales de Comunicación</i> , Libro I, Capítulo III <i>Reglamento de Telecomunicaciones</i> , Capítulo II, Capítulo IV
Description:	Resale of circuit capacity of a private network may not exceed 30 percent of such capacity.

Sector:	Private Educational Services
Sub-Sector:	
Industrial Classification:	CMAP 921101 - Private Preschool Educational Services

CMAP 921102 - Private
Primary School Educational
Services
CMAP 921103 - Private
Secondary School
Educational Services
CMAP 921104 - Private
Middle High (Preparatory)
School Educational Services
CMAP 921105 - Private
Higher School Educational
Services
CMAP 921106 - Private
Educational Services that
combine Preschool,
Primary, Secondary, Middle
High and Higher School
Instruction

Level of Government: Federal and State

Measures: *Constitución Política de los
Estados Unidos Mexicanos ,
Artículos 3, 5
Ley Federal de
Educación Capítulos I, II,
III y IV
Ley para la Coordinación de
la Educación Superior ,
Capítulos I y II
Ley Reglamentaria del
Artículo 5o. Constitucional
relativo al Ejercicio de las
Profesiones en el Distrito
Federal , Capítulos I, III,
Secciones I, II
Reglamento de la Ley
Reglamentaria del Artículo
5o. Constitucional relativo
al Ejercicio de las
Profesiones en el Distrito
Federal , Capítulo V*

Description: For the provision of
primary, secondary,
"normal" or worker or
peasant educational
services, prior and express
authorization granted by
the Secretaría de Educación
Pública or the
statecompetent authority is
required. Such
authorization is granted or
canceled on a casebycase
basis in accordance with
public convenience and
necessity, at the discretion
of the Secretaría de
Educación Pública or the

state competent authority.

No legal remedy is available under Mexican law for the denial or revocation of such authorization.

Sector:	Transportation
Sub-Sector:	Land Transportation
Industrial Classification:	CMAP 973103 - Vehicle Parking Services (parking and garage services) CMAP 973104 - Weight Scale Services for Transportation CMAP 973105 - Towing Services for Vehicles CMAP 973106 - Other Services Related to Land Transportation (not mentioned in CMAP 9731, 7112 and 7113)
Level of Government:	Federal
Measures:	<i>Ley de Vías Generales de Comunicación</i>
Description:	A permit issued by the Secretaría de Comunicaciones y Transportes is required to provide services related to land transportation.

Schedule of the United States

Sector:	Communications
Sub-Sector:	Telecommunications (Radiocommunications)

Industry Classification: CPC 752 -
Telecommunications
Services

Level of Government: Federal

Measures: *Communications Act of
1934* , 47 U.S.C. §§
151 et seq.

Description: Any person wishing to
engage in communications
by radio within the United
States and between the
United States and points
outside the United States
must obtain a license from
the Federal
Communications
Commission (FCC) for the
use, but not the ownership,
of all channels of
radiocommunications.

Such a license shall not be
construed to create any
right beyond the terms,
conditions and periods of
the license.

The *Communications Act of
1934* requires the FCC, in
granting radio station
licenses, to determine if
such a license would serve
the public interest,
convenience and necessity
and empowers the FCC to
impose conditions pursuant
to this determination. The
FCC must deny applications
for radio licenses where it is
unable to find that such
grant would serve the
public interest, convenience
and necessity.

Sector: Communications

Sub-Sector: Cable Television Services

Industrial Classification: CPC 753 - Radio and
Television Cable Services

Level of Government: Federal

Measures:

Communications Act of 1934 , 47 U.S.C. §§ 151 et seq.

Federal Communications Commission Rules , §§ 76.501, 74.931(e)(5), 63.54 and 21.912

The Cable Television Consumer Protection and Competition Act of 1992 , Pub. L. No. 102-385, 106 Stat. 1460 (1992)

47 C.F.R. §§ 76.501, 74.931(e)(5), 63.54 and 21.912

Description:

A cable television system is not allowed to carry any television broadcast signal if the cable system owns, operates, controls or has an interest in a television broadcast station whose Grade B contour overlaps the service area of such cable system (§ 76.501(a)).

A cable television system may directly or indirectly own, operate, control or have an interest in a national television network, such as ABC, CBS or NBC, only if such system does not pass more than:

(a)10 percent of homes passed on a nationwide basis when aggregated with all other cable systems in which the network holds such a cognizable interest; and

(b)50 percent of homes passed within any one Arbitron Area of Dominant Influence (ADI), except that a cable television system facing a competing system will not be counted toward this 50 percent limit (§ 76.501(b)).

A cable television company may not lease excess

transmission time or capacity from a licensee of an Instructional Television Fixed Service (ITFS) station (television services intended for use in educational institutions) if the ITFS station is located within 20 miles of that cable television company's franchise area (§ 74.931(e)(5)).

A telephone common carrier may not engage in the provision (for example, ownership, control or production) of video programming directly to the viewing public in its telephone service area, but may distribute such programming on a common carrier basis and may only have up to a five percent non-controlling financial interest in video programmers (§ 63.54(a) and (e)).

A telephone common carrier may not provide channels of communications or pole line conduit space, or other rental arrangements to any entity that is directly or indirectly owned, operated or controlled by, or under common control with, such telephone common carrier, where such facilities or arrangements are to be used for, or in connection with, the provision of video programming to the viewing public in the telephone service area of the telephone common carrier (§ 63.54(b)).

A telephone common carrier may not acquire cable facilities in its service area and use those facilities to provide video dialtone services or to engage in activities related to the provision of video programming directly to subscribers (§

63.54(d)(3)).

In cable television franchise areas served by a single cable operator, that operator may not be authorized to use frequencies assigned to the Multichannel Multipoint Distribution Service (MMDS) (the 2150-2165 MHz and 2596-2644 MHz bands), if a portion of an MMDS station's protected service area lies within that cable television operator's franchise area (§ 21.912).

A cable operator may not hold a license for multichannel multipoint distribution or satellite master antenna television service, apart from the franchised service, in the same area in which it holds a cable system franchise (The Cable Television Consumer Protection and Competition Act of 1992 ("1992 Cable Act"), section 11).

A cable operator may not sell or otherwise transfer its ownership in a cable system within three years following the acquisition or initial construction of such system (1992 Cable Act, section 13).

Sector:	Energy
Sub-Sector:	Natural Gas Transportation
Industry Classification:	SIC 4922 - Natural Gas Transmission SIC 4923 - Natural Gas Transmission and Distribution SIC 4924 - Natural Gas Distribution
Level of Government:	Federal
Measures:	15 U.S.C. § 717f 18 C.F.R. § 157

Description:

A natural gas company, or a person that will be a natural gas company upon completion of proposed construction or extension of transportation facilities, is required to obtain a certificate of public convenience and necessity to construct, extend, acquire or operate such facilities. In addition, a certificate is required to transport or sell for resale natural gas in interstate commerce.

The Federal Energy Regulatory Commission (FERC) is required to hold hearings on applications for permanent certificates and to give interested persons notice of such hearings. Notices of applications are published in the Federal Register.

The FERC does not require a certificate of public convenience and necessity for certain replacement construction, maintenance, emergency facilities, auxiliary installations and certain types of taps.

Natural gas services for drilling oil wells or for testing or purging new natural gas pipeline facilities are exempt from the certificate requirement.

Certain "emergency" sales, transportation or exchanges are exempt from the certificate requirement. Where a certificate is required, the FERC may grant a temporary certificate for sale or transportation in emergency circumstances, pending the determination on a permanent certificate.

Sector:

Postal Services

Sub-Sector:

Industry Classification: SIC 4311 - United States Postal Service

Level of Government: Federal

Measures: 39 U.S.C. §§ 401 et seq.
18 U.S.C. § 1693
39 C.F.R. §§ 310 and 320

Description: The U.S. Postal Service is generally authorized to "receive, transmit, and deliver throughout the United States, its territories and possessions . . . written and printed matter, parcels and like materials." The Postal Service also has the exclusive authority to "provide and sell postage stamps."

A carrier other than the U.S. Postal Service may carry letters if, among other things, each letter is enclosed in an envelope, proper postage has been paid in stamps, the stamp is canceled by the sender and the carrier endorses the envelope.

The postal regulations define "letters" to exclude telegrams, books and magazines, and other materials. The regulations also permit letters to be carried accompanying cargo, by the sender, by others without compensation and by special messengers. The Postal Service has suspended its regulations with respect to private "express mail" services.

Sector: Recreation

Sub-Sector: National Parks Concessions

Industry Classification: SIC 7999 - Amusement and Recreation Services, Not Elsewhere Classified

Level of Government: Federal

Measures: 16 U.S.C. §§ 20 and 20a

Description: A concession is required to operate hotels, restaurants, gift shops, snack bars, equipment rentals, horseback riding services, guide services, fishing guide services, mountain climbing services, bus transportation and other services in U.S. national parks. The National Park Service regulates all aspects of these services, including building specifications, rates for the services, and hours of operation.

The National Park Service awards concessions only where they are determined to be "necessary and appropriate". In developing its plans for the operation of a national park, the Park Service determines what operations, including concessions, are "necessary and appropriate". As a result of this determination, the Park Service may determine that a given concession is not needed.