

Iceland second revised conditional offer  
Trade in Services Agreement  
October 2016

**Iceland**

Second Revised Conditional offer

Iceland hereby submits its second revised conditional offer of specific commitments on services.

The offer has been drafted according to the core provisions as of September 2016.

The offer does not include services supplied in the exercise of government authority, nor does it include non-discriminatory measures relating to qualification or licensing requirements. Iceland reserves the right to establish, maintain and fully exercise its national legislation in order to achieve legitimate policy objectives in areas such as consumer protection, education, health and the environment.

Reservations scheduled in the 'Other Limitations' column includes a description setting out the scope of the sector, sub-sector or activity on the measure for which National Treatment (Article 1-4), Local Presence (Article X.1), Local Management and Boards of Directors (Article X.2), Local Content and Other Performance Requirements (Article X.3) and Article X.13 (Senior Management and Board of Directors) of Annex (X) on Financial Services do not apply. Iceland may revise its offer to take account of outcomes on negotiations on Localisation or correct any mistakes.

The attached list of MFN exemptions is based on the assumption that regional integration agreements in the meaning of GATS article V will not be subject to MFN obligations.

Unless otherwise indicated, the classification of services sectors are based on the 1991 Provisional Central Product Classification of the United Nations Statistical Office and the ordering reflects the services sectoral classification list used in the GATT document MTN.GNS/W/120, dated 10 July 1991.

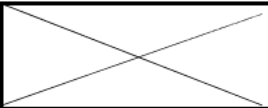
As regards financial services, Iceland is ready to offer commitments based upon the draft TISA Annex on Financial Services as of September 2016.

This offer is conditional and Iceland reserves the right to withdraw, amend or supplement all or part of this offer at any time prior to the conclusion of the negotiation.

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ICELAND - SCHEDULE OF SPECIFIC COMMITMENTS

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

Sector or subsector	Limitations on market access	Other Limitations	Additional commitments
<p><b>PART I. HORIZONTAL COMMITMENTS</b> Iceland undertakes its specific commitments in accordance with Part II of the Agreement</p>			
<p>SECTION A RESERVATIONS pursuant to Article II – 2:4</p>		<p>Iceland reserves the right to adopt or maintain any measure in the specific sectors, sub-sectors or activities as listed below:</p>	
		<p><b>Public Services</b></p> <p>1-4 National Treatment X.1 Local Presence X.2 Local Management and Board of Directors X.3 Local Content and other Performance Requirements</p> <p>- Any measure with respect to the provision of services established or maintained for a public purpose, including social welfare, education, health, child care, pension schemes, social security or insurance, income security or insurance, public training, public housing, public transport and law enforcement.</p> <p><b>Water</b></p> <p>1-4 National Treatment X.1 Local Presence X.2 Local Management and Board of Directors X.3 Local Content and other Performance Requirements</p> <p>- Any measure with respect to the provision of services relating to the collection, purification and distribution of water and water management.</p> <p><b>Services related to data transfers</b></p> <p>1-4 National Treatment X.1 Local Presence</p>	

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Sector or subsector	Limitations on market access	Other Limitations	Additional commitments
		<p>X.2 Local Management and Board of Directors X.3 Local Content and other Performance Requirements</p> <ul style="list-style-type: none"> <li>- Authorization may be needed if personal data is to be processed outside of Icelandic jurisdiction.</li> </ul> <p><b>Subsidies</b></p> <p>1-4 National Treatment X.1 Local Presence X.2 Local Management and Board of Directors X.3 Local Content and other Performance Requirements</p> <ul style="list-style-type: none"> <li>- For all mode 1 and 2</li> <li>- Mode 3 for research and development, and may also be limited to juridical persons established within the territory of Iceland.</li> <li>- Subsidies for mode 4 may be limited to Icelandic citizens.</li> </ul> <p><b>Commercial Presence: Mode 3</b></p> <p>1-4 National Treatment X.1 Local Presence X.2 Local Management and Board of Directors X.3 Local Content and other Performance Requirements</p> <ul style="list-style-type: none"> <li>- Investment in Iceland is subject to the following restrictions: Only Icelandic citizens and other Icelandic persons as defined by law may conduct fishing operations within the Icelandic fisheries jurisdiction or own or run enterprises engaged in fish processing. Only Icelandic citizens and other Icelandic persons as defined by law may own energy exploitation rights for hydro and geothermal energy for other than domestic use. The same applies to enterprises which produce or distribute energy. All foreign investment of a Foreign State or companies and organisations owned by a Foreign State requires authorisation by the responsible</li> </ul>	

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Sector or subsector	Limitations on market access	Other Limitations	Additional commitments
		<p>Ministry. Acquisition of real estate is subject to authorisation. Leasing of real estate is subject to authorisation if the lease is for a period exceeding three years and not for use in conducting its normal business activities</p> <p><b>Presence of Natural Persons: Mode 4</b></p> <p>1-4 National Treatment X.1 Local Presence X.2 Local Management and Board of Directors X.3 Local Content and other Performance Requirements</p> <p>- Any measure concerning the entry and temporary stay of natural persons, except for measures concerning the categories of natural persons referred to in the market access column.</p> <p><b>1. Business Services</b></p> <p><b>A. Professional Services</b></p> <p>1-4 National Treatment X.1 Local Presence X.2 Local Management and Board of Directors X.3 Local Content and other Performance Requirements</p> <p>- Medical and dental services (CPC 9312) - Services provided by mid-wives, nurses, physiotherapists and para-medical personnel (CPC 93191)</p> <p><b>E. Rental/Leasing Services without Operators</b></p> <p>1-4 National Treatment X.1 Local Presence</p>	

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Sector or subsector	Limitations on market access	Other Limitations	Additional commitments
		<ul style="list-style-type: none"> <li>- To be registered in the ship register the ship must be owned by an Icelandic natural or juridical persons who are resident in Iceland. Further nationality restriction on fishing vessels (CPC 83103)</li> <li>- To be registered in the aircraft register the aircraft must be owned by an Icelandic natural or juridical persons who are resident in Iceland. (CPC 83104)</li> </ul> <p><b>F. Other Business Services</b></p> <p>1-4 National Treatment X.1 Local Presence X.2 Local Management and Board of Directors X.3 Local Content and other Performance Requirements</p> <ul style="list-style-type: none"> <li>- Services incidental to fishing (CPC 882)</li> <li>- Services incidental to mining (CPC 883+5115)</li> <li>- Investigation and security (CPC 873)</li> </ul> <p><b>2. Communications Services</b></p> <p>1-4 National Treatment X.1 Local Presence X.2 Local Management and Board of Directors X.3 Local Content and other Performance Requirements</p> <ul style="list-style-type: none"> <li>- Postal services (CPC 7511)</li> <li>- All audiovisual services</li> </ul> <p><b>3. Distribution Services</b></p> <p>1-4 National Treatment X.1 Local Presence X.2 Local Management and Board of Directors X.3 Local Content and other Performance Requirements</p>	

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Sector or subsector	Limitations on market access	Other Limitations	Additional commitments
		<ul style="list-style-type: none"> <li>- Distribution services related to arms and explosives.</li> <li>- Distribution services related to import, trade, sale and promotion of alcoholic beverages.</li> <li>- Distribution services related to import, trade, sale and promotion of tobacco and tobacco products.</li> <li>- Distribution services related to import, trade and sales of pharmaceutical products.</li> </ul> <p><b>5. Educational Services</b> 1-4 National Treatment X.1 Local Presence X.2 Local Management and Board of Directors X.3 Local Content and other Performance Requirements</p> <ul style="list-style-type: none"> <li>- (CPC 921-924, and 929)</li> </ul> <p><b>7. Financial Services, except as otherwise provided for in this schedule:</b></p> <p>1-4 National Treatment X.1 Local Presence X.2 Local Management and Board of Directors X.3 Local Content and other Performance Requirements X.13 [FS] Senior Management and Board of Directors</p> <ul style="list-style-type: none"> <li>- Operations of mandatory pension schemes are reserved for pensions funds authorized in Iceland</li> <li>- 1), 2) Iceland reserves the right to adopt or maintain any measures with respect to all financial services as referred to in [Article X.2 of Annex [X] on Financial Services of the Agreement] other than the financial services referred to in subparagraphs 1 (b) and (c) of Article X.3 of Annex [X] on Financial Services of the Agreement; and</li> <li>- 1), 2) Paragraph 3 of Article II-2 of the Agreement [the ratchet] shall not apply to financial services referred to in subparagraphs 1 (b) and (c) of Article X.3 of Annex [X] on Financial Services of the Agreement [short list]</li> </ul>	

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Sector or subsector	Limitations on market access	Other Limitations	Additional commitments
		<p><b>8. Health Related and Social Services</b></p> <p>1-4 National Treatment X.1 Local Presence X.2 Local Management and Board of Directors X.3 Local Content and other Performance Requirements</p> <p>- (CPC 9311, 9319 - other than 93191- and 933).</p> <p><b>10. Recreational, Cultural and Sporting Services (other than audiovisual services)</b></p> <p>1-4 National Treatment X.1 Local Presence X.2 Local Management and Board of Directors X.3 Local Content and other Performance Requirements</p> <p>Targeted financial support to specific local, regional or national activities (CPC 9619, 963 and 964)</p> <p>Gambling and Betting Services (CPC 96492)</p> <p><b>11. Transport Services</b></p> <p>1-4 National Treatment X.1 Local Presence X.2 Local Management and Board of Directors X.3 Local Content and other Performance Requirements</p> <p><b>A. Maritime transport services</b> Mode 3: Establishment of a registered company for the purposes of operating a fleet under Icelandic flag is prohibited for others than Icelandic citizens with domicile in Iceland or a legal entity registered and</p>	

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Sector or subsector	Limitations on market access	Other Limitations	Additional commitments
		<p>with domicile in Iceland. Mode 4: The master of an Icelandic vessel must be an Icelandic national.</p> <p><b>12. Other services not included elsewhere</b></p> <p>1-4 National Treatment X.1 Local Presence X.2 Local Management and Board of Directors X.3 Local Content and other Performance Requirements</p> <p>Other services not included elsewhere (CPC 95+97+98+99) New services and services not explicitly included in the WTO services classification list contained in the WTO document MTN.GNS/W/120 and services falling under other services in that list for which no corresponding CPC number is listed.</p>	
<b>RESERVATIONS pursuant to Part II, Article 2.2</b>		Iceland reserves the right to adopt or maintain any measure in the specific sectors, sub-sectors or activities as listed below:	
<p>Legal Sourcing<sup>1</sup></p> <p>Act on Private limited liability companies No 138/1994</p> <p>Act No. 2/1995 respecting Public Limited Companies.</p> <p>Act No. 3/2006 respecting Annual Accounts.</p> <p>Act No. 28/1998 on Professional Commerce</p>		<p>1-4 National Treatment X.1 Local Presence X.2 Local Management and Board of Directors X.3 Local Content and other Performance Requirements</p> <p>The establishment of a branch or agency is subject to authorization.</p> <p>X.2 Local Management and Board of Directors</p> <p>The majority of the founders, the manager(s) and at least half the board of directors, of a juridical person must be resident in Iceland. The responsible Minister can grant exemptions from these restrictions.</p>	

<sup>1</sup> All legal sourcing is for reference only and not legally binding.



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<b>Sector or subsector</b>	<b>Limitations on market access</b>	<b>Other Limitations</b>	<b>Additional commitments</b>
		The manager(s) and board members of a juridical person applying for a license to operate an industry for professional purposes in Iceland must have been legally domiciled in Iceland for at least one year uninterrupted.  X.1 Local Presence  At least one of the auditors of an Icelandic juridical person must be a resident in Iceland or a competent resident CPA company.	

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Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments
<b>ALL SECTORS INCLUDED IN PART II OF THIS SCHEDULE</b>			
All sectors: Formation of legal entity other than branch or agency	3) None		
All sectors: Subsidies (the issue of a definition of subsidies remains to be determined in the context of negotiations under Article XV of the GATS)	1) Unbound 2) Unbound 3) None 4) None		
All sectors and modes: All services and activities that may involve ionizing radiation substances	1), 2), 3), 4) Unbound, including exclusive rights for the supply of such services for public purposes, and designation of institutions responsible for radiation surveillance for public purposes		
All sectors: foreign investment of a Foreign State or entities owned by a Foreign State	1) Unbound 2) Unbound 3) Unbound 4) Unbound		
All sectors: Entry and Temporary Stay of Natural Persons	4) Unbound except the entry and temporary stay of the following service providers, which Iceland shall for greater certainty permit without requiring compliance with economic needs tests:		
	<p><b>A. Intra-Corporate Transferees</b></p> <p>Executives: persons who primarily direct the management of the organization covered by the agreement and establish its goals and generally have a wide decision-making authority. Executives would not necessarily perform tasks related to the actual provision of the service.</p> <p>Managers: persons who direct the organization covered by the agreement or its department and are in a senior level responsible of the service providing functions of the organization by supervising and controlling and having also authority to hire and fire personnel or recommend such and other personnel actions.</p>		

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	<p>Specialists: persons within the organization who possess knowledge at an advanced level of expertise or otherwise essential or proprietary knowledge of the organization's service, research equipment, techniques or management.</p> <p>Entry and temporary stay is subject to the following conditions:</p> <ul style="list-style-type: none"> <li>- A temporary residence and work permit must be obtained.</li> <li>- Such a work permit which is granted for the first time shall not be granted for more than one year. A permit may be extended for up to one further year providing certain conditions are met</li> <li>- All other requirements regarding entry, stay, wages, working conditions and social security benefits shall continue to apply.</li> </ul>		
	<p><b>B. Business Visitors</b> Persons seeking temporary entry whose remuneration is derived outside of Iceland, and who do not make direct sales to the public.</p> <p>Work permits are not required for qualified Business Visitors</p> <p>Entry and temporary stay is subject to the following conditions:</p> <ul style="list-style-type: none"> <li>- Temporary entry, stay and work is limited to 90 days per year.</li> </ul>		
	<p><b>C. Installers and Maintainers</b> Persons working on the specialized assembly, installation, maintenance or repair of equipment</p> <p>Work permits are not required for qualified Installers and Maintainers</p> <p>Entry and temporary stay is subject to the following conditions:</p> <ul style="list-style-type: none"> <li>- Temporary entry, stay and work is limited to 90 days per year.</li> </ul>		
	<p><b>D. Contractual Service Suppliers</b> Definition:</p> <p>Natural persons employed by a foreign juridical person with no commercial presence in Iceland, and on the basis of a service agreement necessary to fulfill a contract.</p> <p>Entry and temporary stay is limited to the supply of services in the following sector:</p> <ul style="list-style-type: none"> <li>- Engineering services (CPC 8672),</li> <li>- Integrated engineering services (CPC 8673),</li> </ul>		

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	<ul style="list-style-type: none"> <li>- Architectural services (CPC 8671),</li> <li>- Urban planning and landscape architectural services (CPC 8674),</li> <li>- Computer related services (CPC 841-845, and 849),</li> <li>- R&amp;D, excluding projects financed in whole or in part by public funds (CPC 851-853)</li> <li>- Management consulting services (CPC 865),</li> <li>- Services related to management consulting (CPC 866).</li> </ul> <p>Entry and temporary stay is subject to the following conditions:</p> <ul style="list-style-type: none"> <li>- Applies to natural persons employed by a juridical person (service supplier) that is located outside of Iceland and has no commercial presence in Iceland, such as a branch or subsidiary.</li> <li>- A signed service contract must exist between the service supplier and a juridical person engaged in substantive business in Iceland.</li> <li>- The service contract must include a statement to the effect that a condition for the transaction under the contract is that an employee of the service supplier is to provide the service.</li> <li>- The natural person providing the service on behalf of the service supplier must have specialized skills or qualifications of direct relevance to the service activity necessary to fulfill the contract.</li> <li>- The commitment relates only to the service activity which is the subject of the contract and only applies to natural persons who are assessed as having the necessary qualifications, skills and expertise as meeting the domestic standard in Iceland for their nominated occupation.</li> <li>- The entry and temporary stay shall not exceed a period longer than six months on the basis of the same service contract.</li> <li>- The entry and temporary stay shall be subject to a residence and work permit that must be obtained before the natural person enters Iceland.</li> <li>- All other requirements regarding entry, stay, wages, working conditions and social security benefits shall continue to apply.</li> </ul>		
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Sector or Sub-sector	Limitations on Market Access	Other Limitations	Additional Commitments
II. SECTOR SPECIFIC COMMITMENTS			
1. BUSINESS SERVICES			
A. <u>Professional Services</u>			
(a) Legal Services <sup>2</sup> (Applicable parts of CPC 861)			

<sup>2</sup> ‘domestic law (host-country law)’ – the law of Iceland.

‘foreign law’ (home-country law) – the law of the territories of TISA Parties and other countries other than the law of Iceland.

‘international law’ – includes law established by international treaties and conventions, as well as customary law.

‘legal advisory services’ – includes provision of advice to and consultation with clients in matters, including transactions, relationships and disputes, involving the application or interpretation of law; participation with or on behalf of clients in negotiations and other dealings with third parties in such matters; and preparation of documents governed in whole or in part by law, and the verification of documents of any kind for purposes of and in accordance with the requirements of law. Does not include advice, consultation and documentation services performed by service suppliers entrusted with public functions, such as notary services.

‘legal representational services’ – includes preparation of documents intended to be submitted to courts, administrative agencies, and other duly constituted official tribunals in matters involving the application and interpretation of law; and appearance before courts, administrative agencies, and other duly constituted official tribunals in matters involving the application and interpretation of the specified body of law. Does not include documentation services performed by service suppliers entrusted with public functions, such as notary services.

‘legal arbitration, conciliation and mediation services’ – preparation of documents to be submitted to, preparation for and appearance before, an arbitrator, conciliator or mediator in any dispute involving the application and interpretation of law. Does not include arbitration, conciliation and mediation services in disputes for which the law has no bearing which fall under services incidental to management consulting. As a sub-category, international legal arbitration, conciliation or mediation services refers to the same services when the dispute involves parties from two or more countries.

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Sector or Sub-sector	Limitations on Market Access	Other Limitations	Additional Commitments
i. Domestic law (host-country law) Legal advisory services  ii. Foreign Law (home-country law), Legal advisory services and Legal arbitration, conciliation and mediation services  iii. International Law, Legal advisory services and Legal arbitration, conciliation and mediation services	1) None 2) None 3) Participation in a company operating a law office, or ownership of such a company, is prohibited for others than licensed attorneys <sup>3</sup> .  4) Unbound except as indicated in the horizontal section. Members of the General Bar Association of Iceland have an exclusive right to represent clients before courts in Iceland.		
(b) Accounting, auditing and book-keeping services (CPC 862)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section	X.1 Local Presence  Condition of residency in order to obtain licence to provide auditing and book-keeping services  <i>[Act No. 79/2008 on Auditors]</i> <i>[Act No. 145/1994 on Accounting]</i>	

<sup>3</sup> The term attorney refers to any person who is licensed as a representative in litigation before the Supreme Court or the district courts in Iceland. The granting of a license to practice law as a District Court Attorney in Iceland, based on the Attorney's law license in his/her home country, shall be dependent on the condition that the Party which granted the license will grant an Icelandic Attorney comparable rights with equivalent conditions.

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<b>Sector or Sub-sector</b>	<b>Limitations on Market Access</b>	<b>Other Limitations</b>	<b>Additional Commitments</b>
(c) Taxation services (CPC 863)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
(d) Architectural services (CPC 8671)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
(e) Engineering services (CPC 8672)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
(f) Integrated Engineering services (CPC 8673)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
(g) Urban planning and landscape architectural services (CPC 8674)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		

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Sector or Sub-sector	Limitations on Market Access	Other Limitations	Additional Commitments
(i) Veterinary services (CPC 932)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section. Number of veterinarians in rural districts is limited.		
B. <u>Computer and Related Services</u> (CPC 84)			Iceland subscribes to the "Understanding on the scope of coverage of computer services- CPC 84"
C. <u>Research and development Services</u>			
(a) R&D services on Natural Sciences (CPC 851)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
(b) R&D services on social sciences and humanities (CPC 852)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		



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Sector or Sub-sector	Limitations on Market Access	Other Limitations	Additional Commitments
(c) Interdisciplinary R&D services (CPC 853)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
D. <u>Real Estate Services</u>		X.1 Local Presence  Condition of residency in order to obtain licence to provide services in residential building and land sales, and other related intermediary services for purchase and sale of real-estate  <i>[Act No. 70/2015 on the Sale of Real Estate and Ships]</i>	
(a) Real estate services involving own or leased property (CPC 821)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
(b) On a Fee or Contract basis (CPC 822)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		

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Sector or Sub-sector	Limitations on Market Access	Other Limitations	Additional Commitments
E. <u>Rental/Leasing Services without Operators</u>	1) None 2) None 3) Leasing services must be provided either by corporations with limited liability (leasing companies) or registered commercial banks or savings banks 4) Unbound except as indicated in the horizontal section	X.1 Local Presence  Condition of residency in order to lease vehicles and in order to obtain a licence to provide services for purchase and sale of ships  <i>[Act No. 70/2015, on the Sale of Real Estates and Ships]</i>  <i>[Act No.65/2015 on the Leasing of Vehicles Subject to Mandatory Registration]</i>	
(a) Relating to ships (CPC 83103)	1) None 2) None 3) To be registered in the ship register the ship must be owned by Icelandic natural or juridical persons who are resident in Iceland. Further nationality restrictions on fishing vessels. 4) Unbound except as indicated in the horizontal section		
(b) Relating to aircraft (CPC 83104)	1) None 2) None 3) To be registered in the aircraft register the aircraft must be owned by Icelandic natural or juridical persons resident in Iceland 4) Unbound except as indicated in the horizontal section		

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Sector or Sub-sector	Limitations on Market Access	Other Limitations	Additional Commitments
(c) Relating to other transport equipment (CPC 83101 + 83102 + 83105)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal 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 section		
(e) Other (CPC 832)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
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 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 section		

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Sector or Sub-sector	Limitations on Market Access	Other Limitations	Additional Commitments
(c) Management consulting services (CPC 865)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
(d) Services related to man. consulting (CPC 866)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
(e) Technical testing and analysis services (CPC 8676)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
(f) Services incidental to agriculture, hunting and forestry (CPC 881)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
(g) Services incidental to energy distribution (CPC 881)	1) Unbound, except for advisory services 2) None 3) Unbound, except for advisory services 4) Unbound except as indicated in the horizontal section		
(i) Services incidental to manufacturing (CPC 884 + 885, except for 88442)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		

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Sector or Sub-sector	Limitations on Market Access	Other Limitations	Additional Commitments
(k) Placement and supply services of personnel (CPC 872)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
(m) Related scientific and technical consulting services (CPC 8675)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
(n) Maintenance and repair of equipment (CPC 633+8861- 8866; not including maritime vessels, aircraft or other transport equipment)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
(o) Building-cleaning services (CPC 874)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
(p) Photographic services (CPC 875)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		

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Sector or Sub-sector	Limitations on Market Access	Other Limitations	Additional Commitments
(q) Packaging services (CPC 876)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
(r) Printing and publishing (CPC 88442)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
(s) Convention services (CPC 87909)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.		
(t) Other			
- Duplicating Services (CPC 87904)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.		
- Translation and Interpretation Services, except government authorized translators (parts of CPC 87905)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.		

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

<b>Sector or Sub-sector</b>	<b>Limitations on Market Access</b>	<b>Other Limitations</b>	<b>Additional Commitments</b>
- Specialty Design Services Other (CPC 87907)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.		
- Exhibition Management Services (Parts of CPC 87909)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.		
2. COMMUNICATION SERVICES			
B. Courier Services (CPC 7512)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
C. <u>Telecommunication Services</u>			

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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	Other Limitations	Additional Commitments
(a) Voice telephony (b) Packet-switched data transmission services (c) Circuit-switched data transmission services (d) Telex services (e) Telegraph services (f) Facsimile services (g) Leased circuit services (o) Other Mobile and personal communications services and systems	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
Value-added services <sup>4</sup> Electronic mail, Voice mail, On-line information and Data Base Retrieval, EDI, Code and Protocol Conversion	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
3. CONSTRUCTION AND RELATED ENGINEERING SERVICES			

<sup>4</sup> Excludes voice telephony, telegraph, telex, packet and circuit switched data services, mobile radiotelephony, paging and satellite services.



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Sector or Sub-sector	Limitations on Market Access	Other Limitations	Additional Commitments
A. <u>General Construction Work for Buildings</u> (CPC 512)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.		
B. <u>General Construction Work for Civil Engineering</u> (CPC 513)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
C. <u>Installation and Assembly Work</u> (CPC 514+516)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
D. <u>Building Completion and Finishing Work</u> (CPC 517)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
E. Other: Site formation and clearance for geothermal related services (including geothermal drilling) (Applicable parts of CPC 5113)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.		

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Sector or Sub-sector	Limitations on Market Access	Other Limitations	Additional Commitments
4. DISTRIBUTION SERVICES (excluding trade in arms, alcoholic beverages, tobacco and pharmaceutical products)			
A. <u>Commissions Agents' Services</u> (CPC 621)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
B. <u>Wholesale Trade Services</u> (CPC 622)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
C. Retailing Services (CPC 631+632 + 6111 + 6113 + 6121)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section	X.1 Local Presence  Services related to used vehicles: - An operating license is required to trade in or act as an agent with used vehicles. A condition of the license is residency.  <i>[Act No. 28/1998 on Professional Commerce]</i>	
D. Franchising (CPC 8929)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		

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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	Other Limitations	Additional Commitments
6. ENVIRONMENTAL SERVICES With the exception of public service functions whether owned and operated or contracted out by local or central government			
A. <u>Sewage Services</u> (CPC 9401)	1) Unbound, except for advisory services 2) None 3) None 4) Unbound except as indicated in the horizontal section		
B. <u>Refuse Disposal Waste</u> (CPC 9402)	1) Unbound, except for advisory services 2) None 3) None 4) Unbound except as indicated in the horizontal section		
C. <u>Sanitation and Similar Services</u> (CPC 9403)	1) Unbound, except for advisory services 2) None 3) None 4) Unbound except as indicated in the horizontal section		
D. <u>Cleaning Services of Exhaust Gases</u> (CPC 9403)	1) Unbound, except for advisory services 2) None 3) None 4) Unbound except as indicated in the horizontal section		

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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	Other Limitations	Additional Commitments
E. Noise Abatement <u>Services</u> (CPC 9403)	1) Unbound, except for advisory services 2) None 3) None 4) Unbound except as indicated in the horizontal section		
F. <u>Nature and Landscape Protection</u> <u>Services</u> (CPC 9403)	1) Unbound, except for advisory services 2) None 3) None 4) Unbound except as indicated in the horizontal section		
G. Other (CPC 9409)	1) Unbound, except for advisory services 2) None 3) None 4) Unbound except as indicated in the horizontal section.		
7. FINANCIAL SERVICES			
Iceland undertakes commitments on financial services in accordance with the Annex [X] of the Trade in Services Agreement.			
A. <u>Insurance and Insurance related Services</u>	1) The supply of direct insurance is reserved for insurance undertakings authorized in Iceland.  The supply of insurance mediation is reserved for insurance intermediaries authorized in Iceland.  2) None	1-4 National Treatment X.1 Local Presence X.13 [FS] Senior Management and Board of Directors  Branch offices of foreign insurance undertakings must be managed by a resident agent.  Managers and Board Members of Insurance Undertakings shall be resident in Iceland.	

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Sector or Sub-sector	Limitations on Market Access	Other Limitations	Additional Commitments
	<p>3) Any investor, whether resident or non-resident, who acquires or intends to acquire a qualifying holding in an insurance undertaking must give advance notice to the Financial Supervisory Authority. The Authority may refuse the acquisition or the exercise of ownership if it believes that the acquisition will affect the sound functioning of the enterprise.</p> <p>4) Unbound except as indicated in the horizontal section.</p>	<p>Residency requirement for insurance intermediaries and persons authorised to carry out average adjustments</p> <p><i>[Act on Insurance Activities, No. 56/2010]</i></p> <p><i>[Act on Insurance Mediation, No.32/2005]</i></p>	
<p>B. <u>Banking and Other Financial Services</u> (excluding insurance)</p>	<p>1) None</p> <p>2) None</p> <p>3) Credit institutions and undertakings engaged in securities services can only be established as companies with limited liability.</p>	<p>1-4 National Treatment X.1 Local Presence X.13 [FS] Senior Management and Board of Directors</p> <p>A founder of a credit institution shall be a natural or legal person resident in Iceland. The responsible Minister may grant exemptions from this requirement.</p> <p>Managers and the majority of the board members of credit institutions and undertakings engaged in securities services and UCITS shall be resident in Iceland.</p> <p>Board members of a central security depository shall be resident in Iceland.</p>	

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Sector or Sub-sector	Limitations on Market Access	Other Limitations	Additional Commitments
	<p>Credit institutions have exclusive rights to accept deposits and other repayable funds from the public.</p> <p>Public issue of securities shall be conducted by securities undertakings or other parties authorized to provide such services.</p> <p>4) Unbound except as indicated in the horizontal section.</p>	<p>[Act on Financial Undertakings, No. 161/2002]</p> <p>[Act on Securities Activities, No.108/2007]</p> <p>[Act on Undertakings in Collective Investment and Alternative Investment Funds, No.128/2011]</p> <p>[Act on Electronic Registration of Rights of Title of Securities No, 131/1997]</p>	
9. TOURISM AND TRAVEL RELATED SERVICES			
A. <u>Hotels and Restaurants (including catering)</u> (CPC 641-643)	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound except as indicated in the horizontal section</p>	<p>X.1 Local Presence</p> <p>Condition of licence is residency.</p> <p>[Act No 85/2007 on Restaurants, Collective Accommodation Establishments and Entertainment Services]</p> <p>[Alcohol Act No. 75/1998]</p>	
B. <u>Travel Agencies and Tour Operators</u> (CPC 7471)	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound except as indicated in the horizontal section</p>	<p>X.1 Local Presence</p> <p>Condition of licence is residency</p> <p>[The Tourism Administration Act No. 73/2005]</p>	

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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	Other Limitations	Additional Commitments
C. <u>Tourist Guides Services</u> (CPC 7472)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section	X.1 Local Presence  The right to exercise the profession is reserved for resident tourist guides. Non-resident tourist guides may be granted temporary work permit on an ad hoc basis.  <i>[The Tourism Administration Act No. 73/2005]</i>	
10. RECREATIONAL CULTURAL AND SPORTING SERVICES (other than audiovisual services)			
A. <u>Entertainment Services</u> (including theatre, live bands and circus services) (CPC 9619)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
B. <u>News Agency Services</u> (CPC 962)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
C. <u>Libraries, Archives, Museums and other Cultural Services</u> (CPC 963)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		

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Sector or Sub-sector	Limitations on Market Access	Other Limitations	Additional Commitments
D. Sporting and other Recreational Services (CPC 964)	1) None 2) None 3) Gambling, coin machines and like activities are subject to licensing. Professional boxing is prohibited by law. 4) Unbound except as indicated in the horizontal section		
11. TRANSPORT SERVICES			
A. <u>Maritime Transport Services</u>			
International transport (passengers and freight) CPC 7211 and 7212	1) None 2) None 3) (a) Establishment of a registered company for the purpose of operating a fleet under Icelandic flag: Unbound except as indicated in the horizontal section. (b) Other forms of commercial presence 2): None. 4) (a) Ships' crew: Unbound except as indicated in the horizontal section. (b) Key personnel employed in relation to a commercial presence as defined under mode 3(b) above: Unbound except as indicated in the horizontal section.		



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Sector or Sub-sector	Limitations on Market Access	Other Limitations	Additional Commitments
- <u>Maritime Auxiliary Services</u> Maritime Cargo Handling Services 3)	1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section		
- Storage and Warehousing Services (CPC 742); Customs Clearance Services 4); Container Station and Depot 5)	1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section		
- Maritime Agency Services 6); Freight Forwarding Services 7)	1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section		
- Other Supporting and Auxiliary Transport Services 8)	1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section		

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Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments
Auxiliary Services as required by Maritime Transport Operators:			<p>The following services are made available to international maritime transport suppliers on reasonable and non-discriminatory terms and conditions:</p> <ol style="list-style-type: none"> <li>1. Pilotage</li> <li>2. Towing and tug assistance</li> <li>3. Provisioning, fuelling, watering</li> <li>4. Garbage collecting, ballast waste disposal</li> <li>5. Port Captain's services</li> <li>6. Navigation aids</li> <li>7. Shore-based operational services essential to ship operations, incl. communications, water, electrical supplies</li> <li>8. Emergency repair facilities</li> <li>9. Anchorage, berth, berthing services</li> <li>10. Container handling, storage and warehousing, freight transport.</li> </ol> <p>Where road, coastal shipping and related auxiliary services are not otherwise fully covered in this schedule, a multimodal transport operator shall have the ability to rent, hire or charter trucks and related equipment for the purpose of inland forwarding of international cargoes carried by sea, or have access to and use of such multimodal activities for the purpose of providing multimodal transport services.</p>

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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>Air Transport Services</u>			
Maintenance and repair of aircraft and parts thereof	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
Sales and marketing	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
Computer Reservations System	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
Air ground handling services	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
Airport operation services	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		

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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. <u>Road Transport Services</u>			
(a) Passenger transportation (CPC 7121 + 7122)	1) None 2) None 3) Authorization required for commercial land transport services. Numerical quotas may be imposed as well as exclusive licenses for certain areas or routes. 4) Unbound except as indicated in the horizontal section		
(b) Freight transportation (CPC 7123)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
(c) Rental of commercial vehicles with operator (CPC 7124)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
(d) Maintenance and repair of road transport equipment (CPC 6112+8867)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		

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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) Supporting services for road transport services (CPC 744)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
<b>G. Pipeline transport</b>			
Pipeline transportation of petroleum and natural gas (CPC 7131)	1) Unbound 2) None 3) Unbound 4) Unbound except as indicated in the horizontal section		
Pipeline transportation of goods other than fuel (CPC 7139)	1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section		
<b>H. Services auxiliary to all modes of transport</b>			
(b) Storage and warehousing services (CPC 742)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section	X.1 Local Presence  Residency requirement for board members of the legal person applying for a license.  [Customs Act No. 88/2005]	

\* Unbound due to lack of technical feasibility.

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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) Freight transport agency services (CPC 748)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section	X.1 Local Presence  Residency requirement for board members of the legal person applying for a license.  <i>[Customs Act No. 88/2005]</i>	
d) Other (CPC 749)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		

**ICELAND – LIST OF MFN EXEMPTIONS REFERRED TO IN ARTICLE [MFN]**

Sector or Subsector	Description of measure indicating its inconsistency with Article [...]	Countries to which the measure applies	Intended duration	Conditions creating the need for the exemption
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Sector or Subsector	Description of measure indicating its inconsistency with Article [...]	Countries to which the measure applies	Intended duration	Conditions creating the need for the exemption
ALL SECTORS	Measures aimed at promoting Nordic cooperation such as: - guarantees and loans to investment projects and exports (The Nordic Investment Bank) - financial support to R&D projects (The Nordic Industrial Fund) - funding of feasibility studies for international projects (The Nordic Fund for Project Exports) - financial assistance to companies* utilizing environmental technology (The Nordic Environment Finance Corporation).	Denmark, Finland, Iceland, Norway and Sweden  (* Applies to East European companies, which are co-operating with a Nordic company.	Indefinite	To maintain and develop Nordic Cooperation
Audiovisual services; transmission of audiovisual programmes	Measures that are adopted for the implementation and in conformity with the regulations such as the EC Television Broadcasting Directive (no. 89/552) and which define programmes of European origin in order to extend national treatment to audiovisual programmes meeting specific origin criteria	Parties to the Council of Europe Convention on Transfrontier Television or other European countries parties to the EEA Agreement with whom an agreement may be concluded	Indefinite	The promotion of cultural identity within the broadcasting sector in Europe, as well as achievement of certain linguistic policy objectives

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Sector or Subsector	Description of measure indicating its inconsistency with Article [...]	Countries to which the measure applies	Intended duration	Conditions creating the need for the exemption
Audiovisual services; production and distribution of cinematographic works and television programmes	Measures that are adopted for the implementation of benefits in conformity with such support programmes as MEDIA and EURIMAGES to audiovisual programmes and suppliers to these programmes, meeting specific European origin criteria	European countries	Indefinite	Preservation and promotion of the regional identity of the countries concerned
	Support programmes for the production and distribution of cinematographic works and television programmes (The Nordic Film and TV Fund)  Measures based upon government-to-government framework agreements, and plurilateral agreements, on co-production of audiovisual works, which confer National Treatment to audiovisual works covered by these agreements, in particular in relation to distribution and access to funding	Denmark, Finland, Norway and Sweden  All countries with whom cultural cooperation may be desirable (agreements already exist, or are being negotiated, with the following countries: France, Canada)	Indefinite  Indefinite (The promotion of cultural links between countries cannot be time bound)	To maintain and develop Nordic cooperation  The aim of these agreements is to promote cultural links between the countries concerned



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## **Iceland**

### Second Revised Conditional offer

Iceland hereby submits its [second](#) revised conditional offer of specific commitments on services.

The offer has been drafted according to the core provisions as of ~~April~~[September](#) 2016.

The offer does not include services supplied in the exercise of government authority, nor does it include non-discriminatory measures relating to qualification or licensing requirements. Iceland reserves the right to establish, maintain and fully exercise its national legislation in order to achieve legitimate policy objectives in areas such as consumer protection, education, health and the environment.

~~The offer does not cover air transport services which are not covered by the GATS.~~

Reservations scheduled in the 'Other Limitations' column includes a description setting out the scope of the sector, sub-sector or activity on the measure for which National Treatment (Article 1-4), Local Presence (Article X.1), Local Management and Boards of Directors (Article X.2), Local Content and Other Performance Requirements (Article X.3) and Article X.13 (Senior Management and Board of Directors) of Annex (X) on Financial Services do not apply. Iceland may revise its offer to take account of outcomes on negotiations on Localisation or correct any mistakes.

The attached list of MFN exemptions is based on the assumption that regional integration agreements in the meaning of GATS article V will not be subject to MFN obligations.

Unless otherwise indicated, the classification of services sectors are based on the 1991 Provisional Central Product Classification of the United Nations Statistical Office and the ordering reflects the services sectoral classification list used in the GATT document MTN.GNS/W/120, dated 10 July 1991.

As regards financial services, Iceland is ready to offer commitments based upon the draft TISA Annex on Financial Services as of ~~6-May~~[September](#) 2016.

This offer is conditional and Iceland reserves the right to withdraw, amend or supplement all or part of this offer at any time prior to the conclusion of the

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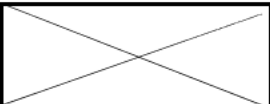
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ICELAND - SCHEDULE OF SPECIFIC COMMITMENTS

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

Sector or subsector	Limitations on market access	<u>Other</u> <del>Limitations on national treatment</del>	Additional commitments
<b>PART I. HORIZONTAL COMMITMENTS</b> Iceland undertakes its specific commitments in accordance with Part II of the Agreement			
SECTION A RESERVATIONS pursuant to Article II – 2:4		<del>In accordance with Article II – 2:4,</del> Iceland reserves the right to adopt or maintain any measure in the specific sectors, sub-sectors or activities <u>as</u> listed below:	
		<p><b>Public Services</b></p> <p><a href="#">1-4 National Treatment</a>  <a href="#">X 1 Local Presence</a>  <a href="#">X 2 Local Management and Board of Directors</a>  <a href="#">X 3 Local Content and other Performance Requirements</a></p> <p>- Any measure with respect to the provision of services established or maintained for a public purpose, including social welfare, education, health, child care, pension schemes, social security or insurance, income security or insurance, public training, public housing, public transport and law enforcement.</p> <p><b>Water</b></p> <p><a href="#">1-4 National Treatment</a>  <a href="#">X 1 Local Presence</a>  <a href="#">X 2 Local Management and Board of Directors</a>  <a href="#">X 3 Local Content and other Performance Requirements</a></p> <p>- Any measure with respect to the provision of services relating to the collection, purification and distribution of water and water management.</p> <p><b>Services related to data transfers</b></p> <p><a href="#">1-4 National Treatment</a></p>	

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

Sector or subsector	Limitations on market access	Other <del>Limitations on national treatment</del>	Additional commitments
		<p><a href="#">X.1 Local Presence</a> <a href="#">X.2 Local Management and Board of Directors</a> <a href="#">X.3 Local Content and other Performance Requirements</a></p> <ul style="list-style-type: none"> <li>- Authorization may be needed if personal data is to be processed outside of Icelandic jurisdiction.</li> </ul> <p><b>Subsidies</b></p> <p><a href="#">1-4 National Treatment</a> <a href="#">X.1 Local Presence</a> <a href="#">X.2 Local Management and Board of Directors</a> <a href="#">X.3 Local Content and other Performance Requirements</a></p> <ul style="list-style-type: none"> <li>- For all mode 1 and 2</li> <li>- Mode 3 for research and development, and may also be limited to juridical persons established within the territory of Iceland.</li> <li>- Subsidies for mode 4 may be limited to Icelandic citizens.</li> </ul> <p><b>Commercial Presence: Mode 3</b></p> <p><a href="#">1-4 National Treatment</a> <a href="#">X.1 Local Presence</a> <a href="#">X.2 Local Management and Board of Directors</a> <a href="#">X.3 Local Content and other Performance Requirements</a></p> <ul style="list-style-type: none"> <li>- Investment <del>by non residents</del> in Iceland is subject to the following restrictions: Only Icelandic citizens and other Icelandic persons as defined by law may conduct fishing operations within the Icelandic fisheries jurisdiction or own or run enterprises engaged in fish processing. Only Icelandic citizens and other Icelandic persons as defined by law may own energy exploitation rights for hydro and geothermal energy for other than domestic use. The same applies to enterprises which produce or distribute energy.</li> </ul>	

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

Sector or subsector	Limitations on market access	<u>Other</u> Limitations on national treatment	Additional commitments
		<p>All foreign investment of a Foreign State or companies and organisations owned by a Foreign State requires authorisation by the responsible Ministry. Acquisition of real estate is subject to authorisation. Leasing of real estate is subject to authorisation if the lease is for a period exceeding three years and not for use in conducting its normal business activities</p> <p><b>Presence of Natural Persons: Mode 4</b></p> <p><a href="#">1-4 National Treatment</a> <del>X.1 Local Presence</del> <del>X.2 Local Management and Board of Directors</del> <del>X.3 Local Content and other Performance Requirements</del></p> <p>- <a href="#">Any measure concerning the entry and temporary stay of natural persons, Mode 4</a>, except for measures concerning the categories of natural persons referred to in the market access column.</p> <p><b>1. Business Services</b></p> <p><b>A. Professional Services</b></p> <p><a href="#">1-4 National Treatment</a> <del>X.1 Local Presence</del> <del>X.2 Local Management and Board of Directors</del> <del>X.3 Local Content and other Performance Requirements</del></p> <p><del>— Legal services, license to practice law based on reciprocity (applicable parts of CPC 861)</del></p> <p>- Medical and dental services (CPC 9312) - Services provided by mid-wives, nurses, physiotherapists and para-medical personnel (CPC 93191)</p>	

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

Sector or subsector	Limitations on market access	Other <del>Limitations on national treatment</del>	Additional commitments
		<p><b>E. Rental/Leasing Services without Operators</b></p> <p><a href="#">1-4 National Treatment</a> <a href="#">X.1 Local Presence</a></p> <ul style="list-style-type: none"> <li>- <del>Mode 3, T</del>to be registered in the ship register the ship must be owned by an Icelandic natural or juridical persons who are resident in Iceland. Further nationality restriction on fishing vessels (CPC 83103)</li> <li>- <del>T</del><del>Mode 3,</del>to be registered in the aircraft register the aircraft must be owned by an Icelandic natural or juridical persons who are resident in Iceland. (CPC 83104)</li> </ul> <p><b>F. Other Business Services</b></p> <p><a href="#">1-4 National Treatment</a> <a href="#">X.1 Local Presence</a> <a href="#">X.2 Local Management and Board of Directors</a> <a href="#">X.3 Local Content and other Performance Requirements</a></p> <ul style="list-style-type: none"> <li>- Services incidental to fishing (CPC 882)</li> <li>- Services incidental to mining (CPC 883+5115)</li> <li>- Investigation and security (CPC 873)</li> <li>- <del>Other business services (CPC 8790)</del></li> </ul> <p><b>2. Communications Services</b></p> <p><a href="#">1-4 National Treatment</a> <a href="#">X.1 Local Presence</a> <a href="#">X.2 Local Management and Board of Directors</a> <a href="#">X.3 Local Content and other Performance Requirements</a></p> <ul style="list-style-type: none"> <li>- Postal services (CPC 7511)</li> <li>- <del>Courier services (CPC 7512)</del></li> <li>- All audiovisual services</li> </ul>	

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Sector or subsector	Limitations on market access	<u>Other</u> <del>Limitations on national treatment</del>	Additional commitments
		<p><del>Construction and Related Engineering Services</del> <del>Other construction and related engineering services (CPC 511, 515 and 518)</del></p> <p><u>4.3. Distribution Services</u></p> <p><u>1-4 National Treatment</u> <u>X.1 Local Presence</u> <u>X.2 Local Management and Board of Directors</u> <u>X.3 Local Content and other Performance Requirements</u></p> <ul style="list-style-type: none"> <li>- Distribution services related to arms and explosives.</li> <li>- Distribution services related to import, trade, sale and promotion of alcoholic beverages.</li> <li>- Distribution services related to import, trade, sale and promotion of tobacco and tobacco products.</li> <li>- Distribution services related to import, trade and sales of pharmaceutical products.</li> </ul> <p><b>5. Educational Services</b> <u>1-4 National Treatment</u> <u>X.1 Local Presence</u> <u>X.2 Local Management and Board of Directors</u> <u>X.3 Local Content and other Performance Requirements</u></p> <ul style="list-style-type: none"> <li>- (CPC 921-924, and 929)</li> </ul> <p><u>Environmental Services</u> <del>Sanitation and similar services, except advisory services (CPC 9403)</del></p> <p><b>7. Financial Services, except as otherwise provided for in this schedule:</b> <u>1-4 National Treatment</u></p>	

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Sector or subsector	Limitations on market access	<u>Other</u> Limitations on national treatment	Additional commitments
		<p><u>X.1 Local Presence</u> <u>X.2 Local Management and Board of Directors</u> <u>X.3 Local Content and other Performance Requirements</u> <u>X.13 [FS] Senior Management and Board of Directors</u></p> <ul style="list-style-type: none"> <li>- Operations of mandatory pension schemes are reserved for pensions funds authorized in Iceland</li> <li>- 1), 2) Iceland reserves the right to adopt or maintain any measures with respect to all financial services as referred to in [Article X.2 of Annex [X] on Financial Services of the Agreement] other than the financial services referred to in subparagraphs 1 (b) and (c) of Article X.3 of Annex [X] on Financial Services of the Agreement; and</li> <li>- 1), 2) Paragraph 3 of Article II-2 of the Agreement [the ratchet] shall not apply to financial services referred to in subparagraphs 1 (b) and (c) of Article X.3 of Annex [X] on Financial Services of the Agreement [short list]</li> </ul> <p><del>Banking and other financial services (excluding insurance)</del> <del>Mode 3, establishment of a branch by credit institutions and undertakings engaged in securities.</del> <del>Mode 3, credit institutions have exclusive rights to accept deposits and other repayable funds from the public.</del> <del>Mode 3, Public issue of securities shall be conducted by securities undertakings or other parties authorized to provide such services.</del></p> <p><b>8. Health Related and Social Services</b></p> <p><u>1-4 National Treatment</u> <u>X.1 Local Presence</u> <u>X.2 Local Management and Board of Directors</u> <u>X.3 Local Content and other Performance Requirements</u></p> <ul style="list-style-type: none"> <li>- (CPC 9311, 9319 - other than 93191- and 933).</li> </ul> <p><b>10. Recreational, Cultural and Sporting Services (other than audiovisual</b></p>	



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Sector or subsector	Limitations on market access	<u>Other</u> Limitations on national treatment	Additional commitments
		<p>services)</p> <p><a href="#">1-4 National Treatment</a> <a href="#">X.1 Local Presence</a> <a href="#">X.2 Local Management and Board of Directors</a> <a href="#">X.3 Local Content and other Performance Requirements</a></p> <p>Targeted financial support to specific local, regional or national activities (CPC 9619, 963 and 964)</p> <p><a href="#">Gambling and Betting Services (CPC 96492)</a></p> <p><b>11. Transport Services</b></p> <p><a href="#">1-4 National Treatment</a> <a href="#">X.1 Local Presence</a> <a href="#">X.2 Local Management and Board of Directors</a> <a href="#">X.3 Local Content and other Performance Requirements</a></p> <p><b>A. Maritime transport services</b> Mode 3: Establishment of a registered company for the purposes of operating a fleet under Icelandic flag is prohibited for others than Icelandic citizens with domicile in Iceland or a legal entity registered and with domicile in Iceland. Mode 4: The master of an Icelandic vessel must be an Icelandic national.</p> <p><b><del>B. Inland Waterway Transport</del></b> <del>(CPC 7221, 7222, 7223, 7224, parts of 8868 and 745)</del></p> <p><b><del>D. Space transport</del></b></p> <p><b><del>E. Rail transport services</del></b> <del>(CPC 7111, 7112, 7113, parts of 8868 and 743)</del></p>	

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Sector or subsector	Limitations on market access	<u>Other</u> <del>Limitations on national treatment</del>	Additional commitments
		<p><del>Road transport services</del> Mode 3, authorization required for commercial land transport services. Numerical quotas may be imposed as well as exclusive licenses for certain areas or routes (CPC 7121 and 7122)</p> <p>Services auxiliary to all modes of transport Cargo handling services, except for maritime cargo handling services and container and depot services.</p> <p><b>12. Other services not included elsewhere</b></p> <p><u>1-4 National Treatment</u> <u>X.1 Local Presence</u> <u>X.2 Local Management and Board of Directors</u> <u>X.3 Local Content and other Performance Requirements</u></p> <p>Other services not included elsewhere (CPC 95+97+98+99) New services and services not explicitly included in the WTO services classification list contained in the WTO document MTN.GNS/W/120 and services falling under other services in that list for which no corresponding CPC number is listed.</p>	
<p><b>RESERVATIONS pursuant to Part II, Article 2.2</b></p>		<p><u>Iceland reserves the right to adopt or maintain any measure in the specific sectors, sub-sectors or activities as listed below:</u></p> <p><del>Iceland maintains limitations on national treatment in all sectors for:</del></p>	

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Sector or subsector	Limitations on market access	<u>Other</u> <del>Limitations on national treatment</del>	Additional commitments
<p>Legal Sourcing<sup>1</sup></p> <p>Act on Private limited liability companies No 138/1994, <del>article III.</del></p> <p><del>Articles 3 and 66 of</del> Act No. 2/1995 respecting Public Limited Companies.</p> <p><del>Articles 3 and 42 of</del> Act No. 138/1994 respecting <del>Private Limited Companies.</del></p> <p><del>Articles 7 and 97 of</del> Act No. 3/2006 respecting Annual Accounts.</p> <p><del>Art. 2 and 4 of</del> Act No. 28/1998 on Professional Commerce</p>		<p><del>Mode 3:</del></p> <p><del>1-4 National Treatment</del></p> <p><del>X.1 Local Presence</del></p> <p><del>X.2 Local Management and Board of Directors</del></p> <p><del>X.3 Local Content and other Performance Requirements</del></p> <p>The establishment of a branch or agency is subject to authorization.</p> <p><del>X.2 Local Management and Board of Directors</del></p> <p>The majority of the founders, the manager(s) and at least half the board of directors, of <del>a juridical person</del><del>public and private limited liability companies</del> must be resident in Iceland. The responsible Minister can grant exemptions from these restrictions.</p> <p>The manager(s) and board members of a <del>corporate</del> <a href="#">juridical person</a> applying for a license to operate an industry for professional purposes in Iceland must have been legally domiciled in Iceland for at least one year uninterrupted.</p> <p><del>X.1 Local Presence</del></p> <p>At least one of the auditors of an Icelandic <del>limited liability company</del><a href="#">juridical person</a> must be a resident in Iceland or a competent resident CPA company.</p>	

<sup>1</sup> All legal sourcing is for reference only and not legally binding.

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Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments
<b>ALL SECTORS INCLUDED IN PART II OF THIS SCHEDULE</b>			
All sectors: Formation of legal entity other than branch or agency	3) None		
All sectors: Subsidies (the issue of a definition of subsidies remains to be determined in the context of negotiations under Article XV of the GATS)	1) Unbound 2) Unbound 3) None 4) None		
All sectors and modes: All services and activities that may involve ionizing radiation substances	1), 2), 3), 4) Unbound, including exclusive rights for the supply of such services for public purposes, and designation of institutions responsible for radiation surveillance for public purposes		
All sectors: foreign investment of a Foreign State or entities owned by a Foreign State	1) Unbound 2) Unbound 3) Unbound 4) Unbound		
All sectors: Entry and <a href="#">Temporary Stay</a> of Natural Persons	4) Unbound except the entry and temporary stay of the following service providers, which Iceland shall <a href="#">for greater certainty</a> permit without requiring compliance with economic needs tests:		
	<p><b>A. Intra-Corporate Transferees</b></p> <p>Executives: persons who primarily direct the management of the organization covered by the agreement and establish its goals and generally have a wide decision-making authority. Executives would not necessarily perform tasks related to the actual provision of the service.</p> <p>Managers: persons who direct the organization covered by the agreement or its department and are in a senior level responsible of the service providing functions of the organization by supervising and controlling and having also authority to hire and fire personnel or recommend such and</p>		

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	<p>other personnel actions.</p> <p>Specialists: persons within the organization who possess knowledge at an advanced level of expertise or otherwise essential or proprietary knowledge of the organization's service, research equipment, techniques or management.</p> <p><a href="#">Access-Entry and temporary stay</a> is subject to the following conditions:</p> <ul style="list-style-type: none"> <li>- A temporary residence and work permit must be obtained.</li> <li>- Such a work permit which is granted for the first time shall not be granted for more than one year. A permit may be extended for up to one further year providing certain conditions are met</li> <li>- All other requirements regarding entry, stay, wages, working conditions and social security benefits shall continue to apply.</li> </ul>		
	<p><b>B. Business Visitors</b> Persons seeking temporary entry whose remuneration is derived outside of Iceland, and who do not make direct sales to the public.</p> <p>Work permits are not required for qualified Business Visitors</p> <p><a href="#">Access-Entry and temporary stay</a> is subject to the following conditions:</p> <ul style="list-style-type: none"> <li>- Temporary entry, stay and work is limited to <del>four weeks</del> <a href="#">90 days</a> per year.</li> </ul>		
	<p><b>C. Installers and Maintainers</b></p> <p><a href="#">Persons working on the specialized assembly, installation, maintenance or repair of equipment</a></p> <p>Work permits are not required for qualified Installers and Maintainers</p> <p><a href="#">Entry and temporary stay is subject to the following conditions:</a></p> <ul style="list-style-type: none"> <li>- <a href="#">Temporary entry, stay and work is limited to 90 days per year.</a></li> </ul>		
	<p><b>D. Contractual Service Suppliers</b></p> <p><a href="#">Definition:</a></p> <p><a href="#">Natural persons employed by a foreign juridical person with no commercial presence in Iceland, and on the basis of a service</a></p>		

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	<p><u>agreement necessary to fulfill a contract.</u></p> <p><u>Entry and temporary stay is limited to the supply of services in the following sector:</u></p> <ul style="list-style-type: none"> <li>- <u>Engineering services (CPC 8672),</u></li> <li>- <u>Integrated engineering services (CPC 8673),</u></li> <li>- <u>Architectural services (CPC 8671),</u></li> <li>- <u>Urban planning and landscape architectural services (CPC 8674),</u></li> <li>- <u>Computer related services (CPC 841-845, and 849),</u></li> <li>- <u>R&amp;D, excluding projects financed in whole or in part by public funds (CPC 851-853)</u></li> <li>- <u>Management consulting services (CPC 865),</u></li> <li>- <u>Services related to management consulting (CPC 866).</u></li> </ul> <p><u>Entry and temporary stay is subject to the following conditions:</u></p> <ul style="list-style-type: none"> <li>- <u>Applies to natural persons employed by a juridical person (service supplier) that is located outside of Iceland and has no commercial presence in Iceland, such as a branch or subsidiary.</u></li> <li>- <u>A signed service contract must exist between the service supplier and a juridical person engaged in substantive business in Iceland.</u></li> <li>- <u>The service contract must include a statement to the effect that a condition for the transaction under the contract is that an employee of the service supplier is to provide the service.</u></li> <li>- <u>The natural person providing the service on behalf of the service supplier must have specialized skills or qualifications of direct relevance to the service activity necessary to fulfill the contract.</u></li> <li>- <u>The commitment relates only to the service activity which is the subject of the contract and only applies to natural persons who are assessed as having the necessary qualifications, skills and expertise as meeting the domestic standard in Iceland for their nominated occupation.</u></li> <li>- <u>The entry and temporary stay shall not exceed a period longer than six months on the basis of the same service contract.</u></li> <li>- <u>The entry and temporary stay shall be subject to a residence and work permit that must be obtained before the natural person enters Iceland.</u></li> <li>- <u>All other requirements regarding entry, stay, wages, working</u></li> </ul>		
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	<a href="#">conditions and social security benefits shall continue to apply.</a>		
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Sector or Sub-sector	Limitations on Market Access	<u>Other Limitations on National Treatment</u>	Additional Commitments
II. SECTOR SPECIFIC COMMITMENTS			
1. BUSINESS SERVICES			
A. <u>Professional Services</u>			
(a) Legal Services <sup>2a</sup> (Applicable parts of CPC 861)			

<sup>2</sup> 'domestic law (host-country law)' – the law of Iceland.

'foreign law' (home-country law) – the law of the territories of TISA Parties and other countries other than the law of Iceland.

'international law' – includes law established by international treaties and conventions, as well as customary law.

'legal advisory services' – includes provision of advice to and consultation with clients in matters, including transactions, relationships and disputes, involving the application or interpretation of law; participation with or on behalf of clients in negotiations and other dealings with third parties in such matters; and preparation of documents governed in whole or in part by law, and the verification of documents of any kind for purposes of and in accordance with the requirements of law. Does not include advice, consultation and documentation services performed by service suppliers entrusted with public functions, such as notary services.

'legal representational services' – includes preparation of documents intended to be submitted to courts, administrative agencies, and other duly constituted official tribunals in matters involving the application and interpretation of law; and appearance before courts, administrative agencies, and other duly constituted official tribunals in matters involving the application and interpretation of the specified body of law. Does not include documentation services performed by service suppliers entrusted with public functions, such as notary services.

'legal arbitration, conciliation and mediation services' – preparation of documents to be submitted to, preparation for and appearance before, an arbitrator, conciliator or mediator in any dispute involving the application and interpretation of law. Does not include arbitration, conciliation and mediation services in disputes for which the law has no bearing which fall under services incidental to management consulting. As a sub-category, international legal arbitration, conciliation or mediation services refers to the same services when the dispute involves parties from two or more countries.

<sup>3</sup> Definitions of legal services based on the Australian proposal are still under consultation. IS to revert.



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Sector or Sub-sector	Limitations on Market Access	<del>Other</del> Limitations <del>on National Treatment</del>	Additional Commitments
<p>i. <a href="#">Domestic law (host-country law) Legal advisory services</a></p> <p>ii. <a href="#">Foreign Law (home-country law), Legal advisory services and Legal arbitration, conciliation and mediation services</a></p> <p>iii. <a href="#">International Law, Legal advisory services and Legal arbitration, conciliation and mediation services</a></p> <p><del>— Domestic law (host-country law) Legal advisory services</del></p>	<p>1) None</p> <p>2) None</p> <p>3) Participation in a company operating a law office, or ownership of such a company, is prohibited for others than licensed attorneys<sup>4</sup>.</p> <p>4) Unbound except as indicated in the horizontal section. Members of the General Bar Association of Iceland have an exclusive right to represent clients before courts in Iceland.</p>		

<sup>4</sup> The term attorney refers to any person who is licensed as a representative in litigation before the Supreme Court or the district courts in Iceland. [The granting of a license to practice law as a District Court Attorney in Iceland, based on the Attorney's law license in his/her home country, shall be dependent on the condition that the Party which granted the license will grant an Icelandic Attorney comparable rights with equivalent conditions.](#)

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Sector or Sub-sector	Limitations on Market Access	<del>Other</del> Limitations <del>on National Treatment</del>	Additional Commitments
<del>Foreign Law (home-country law) and International Law, Legal advisory services</del>	<del>1) None</del> <del>2) None</del> <del>3) None</del> <del>4) Unbound except as indicated in the horizontal section</del>		
(b) Accounting, auditing and book-keeping services (CPC 862)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section	<u>X.1 Local Presence</u>  <u>Condition of residency in order to obtain licence to provide auditing and book-keeping services</u>  <u>[Act No. 79/2008 on Auditors]</u> <u>[Act No. 145/1994 on Accounting]</u>	
<u>Auditing services by registered and licensed auditors</u>		<u>Auditing services in Iceland can only be provided by auditors accredited and licensed in Iceland. Permanent Residency in Iceland is required.</u>  <u>[Articles 2, 3, 4, 6 and 12 of Act No. 79/2008 on Auditors]</u>	
(c) Taxation services (CPC 863)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
(d) Architectural services (CPC 8671)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		

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Sector or Sub-sector	Limitations on Market Access	<del>Other Limitations on National Treatment</del>	Additional Commitments
(e) Engineering services (CPC 8672)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
(f) Integrated Engineering services (CPC 8673)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
(g) Urban planning and landscape architectural services (CPC 8674)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
(i) Veterinary services (CPC 932)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section. Number of veterinarians in rural districts is limited.		

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Sector or Sub-sector	Limitations on Market Access	<del>Other Limitations on National Treatment</del>	Additional Commitments
B. <u>Computer and Related Services</u> (CPC 84)			Iceland subscribes to the "Understanding on the scope of coverage of computer services- CPC 84"
C. <u>Research and development Services</u>			
(a) R&D services on Natural Sciences (CPC 851)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section	<del>A license is needed for the importation of research equipment. Natural history specimens must not be exported from the country unless permitted by the Icelandic Institute of Natural History ("Náttúrufræðistofnun Íslands").  [Article 15 of Act No. 60/1992 on the Icelandic Institute of Natural History] [Article 3 of Act No. 51/1981 on Plant Disease and Pest Control]</del>	
(b) R&D services on social sciences and humanities (CPC 852)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section	<del>Archaeological finds must not be exported from the country unless permitted by the Museum Council ("Safnaráð").  [Act No. 105/2001 on the export of objects of cultural value and on the return of objects of cultural value to other countries]</del>	

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Sector or Sub-sector	Limitations on Market Access	<del>Other</del> Limitations <del>on National Treatment</del>	Additional Commitments
(c) Interdisciplinary R&D services (CPC 853)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
D. <u>Real Estate Services</u>		<del>X.1 Local Presence</del>  <del>Condition of residency in order to obtain licence to provide services in residential building and land sales, and other related intermediary services for purchase and sale of real-estate</del>  <del>[Act No. 70/2015 on the Sale of Real Estate and Ships]</del>	
(a) Real estate services involving own or leased property (CPC 821)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section	<del>Condition of one year previous residency in order to obtain licence to provide services in residential building and land sales, and other related intermediary services for purchase and sale of real-estate</del>	
(b) On a Fee or Contract basis (CPC 822)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section	<del>Condition of one year previous residency in order to obtain licence to provide services in residential building and land sales, and other related intermediary services for purchase and sale of real-estate</del>  <del>[Articles 1, 2 and 5 of Act No. 99/2004, on Marine, Firms and Real Estate Agents]</del>  <del>subsequent amendments]</del>	

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Sector or Sub-sector	Limitations on Market Access	<del>Other Limitations on National Treatment</del>	Additional Commitments
E. <u>Rental/Leasing Services without Operators</u>	1) None 2) None 3) Leasing services must be provided either by corporations with limited liability (leasing companies) or registered commercial banks or savings banks 4) Unbound except as indicated in the horizontal section	<del>X.1 Local Presence</del>  <a href="#">Condition of residency in order to lease vehicles and in order to obtain a licence to provide services for purchase and sale of ships</a>  <a href="#">[Act No. 70/2015, on the Sale of Real Estates and Ships]</a>  <a href="#">[Act No.65/2015 on the Leasing of Vehicles Subject to Mandatory Registration]</a>	
(a) Relating to ships (CPC 83103)	1) None 2) None 3) To be registered in the ship register the ship must be owned by Icelandic natural or juridical persons who are resident in Iceland. Further nationality restrictions on fishing vessels. 4) Unbound except as indicated in the horizontal section		
(b) Relating to aircraft (CPC 83104)	1) None 2) None 3) To be registered in the aircraft register the aircraft must be owned by Icelandic natural or juridical persons resident in Iceland 4) Unbound except as indicated in the horizontal section		

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Sector or Sub-sector	Limitations on Market Access	<del>Other Limitations on National Treatment</del>	Additional Commitments
(c) Relating to other transport equipment (CPC 83101 + 83102 + 83105)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal 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 section		
(e) Other (CPC 832)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
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 section		

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Sector or Sub-sector	Limitations on Market Access	<del>Other Limitations on National Treatment</del>	Additional Commitments
(b) Market research and public opinion polling services (CPC 864)	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		
(d) Services related to man. consulting (CPC 866)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
(e) Technical testing and analysis services (CPC 8676)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
(f) Services incidental to agriculture, hunting and forestry (CPC 881)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		



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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	<del>Other Limitations on National Treatment</del>	Additional Commitments
(g) Services incidental to energy distribution (CPC 881)	1) Unbound, except for advisory services 2) None 3) Unbound, except for advisory services 4) Unbound except as indicated in the horizontal section		
(i) Services incidental to manufacturing (CPC 884 + 885, except for 88442)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
(k) Placement and supply services of personnel (CPC 872)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
(m) Related scientific and technical consulting services (CPC 8675)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
(n) Maintenance and repair of equipment (CPC 633+8861- 8866; not including maritime vessels, aircraft or other transport equipment)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		

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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	<u>Other Limitations on National Treatment</u>	Additional Commitments
(o) Building-cleaning services (CPC 874)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
(p) Photographic services (CPC 875)	1) None 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		
(r) Printing and publishing (CPC 88442)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
(s) Convention services (CPC 87909)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.		
<a href="#">(t) Other</a>			

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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	<del>Other Limitations on National Treatment</del>	Additional Commitments
- <u>Duplicating Services (CPC 87904)</u>	1) <u>None</u> 2) <u>None</u> 3) <u>None</u> 4) <u>Unbound except as indicated in the horizontal section.</u>		
- <u>Translation and Interpretation Services, except government authorized translators (parts of CPC 87905)</u>	1) <u>None</u> 2) <u>None</u> 3) <u>None</u> 4) <u>Unbound except as indicated in the horizontal section.</u>		
- <u>Specialty Design Services</u> <u>Other (CPC 87907)</u>	1) <u>None</u> 2) <u>None</u> 3) <u>None</u> 4) <u>Unbound except as indicated in the horizontal section.</u>		
- <u>Exhibition Management Services (Parts of CPC 87909)</u>	1) <u>None</u> 2) <u>None</u> 3) <u>None</u> 4) <u>Unbound except as indicated in the horizontal section.</u>		
<b>2. COMMUNICATION SERVICES</b>			
<u>B. Courier Services (CPC 7512)</u>	1) <u>None</u> 2) <u>None</u> 3) <u>None</u> 4) <u>Unbound except as indicated in the horizontal section</u>		

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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	<u>Other Limitations on National Treatment</u>	Additional Commitments
<u>C. Telecommunication Services</u>			
(a) Voice telephony	1) None		
(b) Packet-switched data transmission services	2) None		
(c) Circuit-switched data transmission services	3) None		
(d) Telex services	4) Unbound except as indicated in the horizontal section		
(e) Telegraph services			
(f) Facsimile services			
(g) Leased circuit services			
(o) Other Mobile and personal communications services and systems			
Value-added services <sup>5</sup>	1) None		
Electronic mail,	2) None		
Voice mail, On- line	3) None		
information and Data Base Retrieval, EDI, Code and Protocol Conversion	4) Unbound except as indicated in the horizontal section		

<sup>5</sup> Excludes voice telephony, telegraph, telex, packet and circuit switched data services, mobile radiotelephony, paging and satellite services.

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Sector or Sub-sector	Limitations on Market Access	<u>Other Limitations on National Treatment</u>	Additional Commitments
3. CONSTRUCTION AND RELATED ENGINEERING SERVICES			
A. <u>General Construction Work for Buildings</u> (CPC 512)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.		
B. <u>General Construction Work for Civil Engineering</u> (CPC 513)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
C. <u>Installation and Assembly Work</u> (CPC 514+516)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
D. <u>Building Completion and Finishing Work</u> (CPC 517)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		

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Sector or Sub-sector	Limitations on Market Access	<del>Other Limitations on National Treatment</del>	Additional Commitments
E. Other: Site formation and clearance for geothermal related services (including geothermal drilling) (Applicable parts of CPC 5113)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.		
4. DISTRIBUTION SERVICES (excluding trade in arms, alcoholic beverages, tobacco and pharmaceutical products)			
A. <u>Commissions Agents' Services</u> (CPC 621)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
B. <u>Wholesale Trade Services</u> (CPC 622)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		

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Sector or Sub-sector	Limitations on Market Access	<del>Other Limitations on National Treatment</del>	Additional Commitments
C. Retailing Services (CPC 631+632 + 6111 + 6113 + 6121)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section	<del>Other Limitations on National Treatment</del> X.1 Local Presence  Services related to used vehicles: - An operating license is required to trade in or act as an agent with used vehicles. A condition of the license is residency. <del>In case of a legal person, all members of the board, as well as the manager or director, shall fulfill the condition regarding domicile.</del>  <del>[Articles 12 and 13 of Act No. 28/1998 on Professional Commerce]</del>	
D. Franchising (CPC 8929)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		

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Sector or Sub-sector	Limitations on Market Access	<del>Other Limitations on National Treatment</del>	Additional Commitments
6. ENVIRONMENTAL SERVICES With the exception of public service functions whether owned and operated or contracted out by local or central government			
A. <u>Sewage Services</u> (CPC 9401)	1) Unbound, except for advisory services 2) None 3) None 4) Unbound except as indicated in the horizontal section		
B. <u>Refuse Disposal Waste</u> (CPC 9402)	1) Unbound, except for advisory services 2) None 3) None 4) Unbound except as indicated in the horizontal section		
C. <u>Sanitation and Similar Services</u> (CPC 9403)	1) Unbound, except for advisory services 2) None 3) None 4) Unbound except as indicated in the horizontal section		



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Sector or Sub-sector	Limitations on Market Access	<del>Other</del> Limitations <del>on National Treatment</del>	Additional Commitments
D. <u>Cleaning Services of Exhaust Gases (CPC 9403)</u>	1) <u>Unbound, except for advisory services</u> 2) <u>None</u> 3) <u>None</u> 4) <u>Unbound except as indicated in the horizontal section</u>		
E. <u>Noise Abatement Services (CPC 9403)</u>	1) <u>Unbound, except for advisory services</u> 2) <u>None</u> 3) <u>None</u> 4) <u>Unbound except as indicated in the horizontal section</u>		
F. <u>Nature and Landscape Protection Services (CPC 9403)</u>	1) <u>Unbound, except for advisory services</u> 2) <u>None</u> 3) <u>None</u> 4) <u>Unbound except as indicated in the horizontal section</u>		
<u>GD.</u> Other (CPC 9409)	1) Unbound, except for advisory services 2) None 3) None 4) Unbound except as indicated in the horizontal section.		
7. FINANCIAL SERVICES			
Iceland undertakes commitments on financial services in accordance with the Annex [X] of the Trade in Services Agreement.			

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Sector or Sub-sector	Limitations on Market Access	<del>Other</del> Limitations <del>on National Treatment</del>	Additional Commitments
A. <u>Insurance and Insurance related Services</u>	<p>1) The supply of direct insurance is reserved for insurance undertakings authorized in Iceland.</p> <p>The supply of insurance mediation is reserved for insurance intermediaries authorized in Iceland.</p> <p>2) None</p> <p><del>Insurance undertakings require authorization to establish branch offices in Iceland.</del></p> <p>3) Any investor, whether resident or non-resident, who acquires or intends to acquire a qualifying holding in an insurance undertaking must give advance notice to the Financial Supervisory Authority. The Authority may refuse the acquisition or the exercise of ownership if it believes that the acquisition will affect the sound functioning of the enterprise.</p> <p>4) Unbound except as indicated in the horizontal section.</p>	<p><del>1-4 National Treatment</del> <del>X.1 Local Presence</del> <del>X.13 [FS] Senior Management and Board of Directors</del></p> <p><del>▲ The majority of the founders of an insurance undertaking must be Icelandic residents or legal entities registered in Iceland.</del></p> <p><del>The responsible Minister may grant exemptions from this requirement.</del> Branch offices of foreign insurance undertakings must be managed by a resident agent.</p> <p>Managers and Board Members of Insurance Undertakings shall be resident in Iceland.</p> <p>Residency requirement for insurance intermediaries and persons authorised to carry out average adjustments</p> <p><del>[Act on Insurance Activities, No. 56/2010 Act No. 2/1995 on Public Limited Companies]</del></p> <p><del>[Article 15 and 16 of Act on Insurance Mediation, No.32/2005]</del></p>	

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Sector or Sub-sector	Limitations on Market Access	<del>Other</del> Limitations <del>on National Treatment</del>	Additional Commitments
B. <u>Banking and Other Financial Services</u> (excluding insurance)	1) None 2) None 3) Credit institutions and undertakings engaged in securities services can only be established as companies with limited liability. <del>Credit institutions and undertakings engaged in securities services established outside of Iceland can establish a branch or a representative office, subject to authorization by the Financial Supervisory Authority, FME.</del>	<del>1-4 National Treatment</del> <del>X.1 Local Presence</del> <del>X.13 [FS] Senior Management and Board of Directors</del> A founder of a credit institution shall be a natural or legal person resident in Iceland. The responsible Minister may grant exemptions from this requirement. Managers and the majority of the board members of credit institutions and undertakings engaged in securities services and UCITS shall be resident in Iceland. <del>Board members of a central security depository shall be resident in Iceland.</del>	

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Sector or Sub-sector	Limitations on Market Access	<u>Other Limitations on National Treatment</u>	Additional Commitments
	<p>Credit institutions have exclusive rights to accept deposits and other repayable funds from the public.</p> <p>Public issue of securities shall be conducted by securities undertakings or other parties authorized to provide such services.</p> <p>4) Unbound except as indicated in the horizontal section.</p>	<p><del>[Act on Financial Undertakings, No. 161/2002 Act No. 2/1995 on Public Limited Companies]</del></p> <p><del>[Article 15 and 16 of Act on Securities Activities, No.108/2007]</del></p> <p><del>[Article 15 and 16 of Act on Undertakings in Collective Investment and Alternative Investment Funds, No.128/2011]</del></p> <p><del>[Act on Electronic Registration of Rights of Title of Securities No. 131/1997]</del> <del>Service providers shall inform the responsible Ministry of investments made by non-residents in business enterprises in Iceland and the Central Bank of Iceland of investments made by non-residents in securities in Iceland.</del></p> <p>Service providers shall inform the responsible Ministry of investments made by non-residents in business enterprises in Iceland and the Central Bank of Iceland of investments made by non-residents in securities in Iceland.</p> <p>† <del>[Act No. 161/2002 on Financial Undertakings]</del> <del>[Act No. 2/1995 on Public Limited Companies]</del></p>	
9. TOURISM AND TRAVEL RELATED SERVICES			

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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	<del>Other Limitations on National Treatment</del>	Additional Commitments
A. <u>Hotels and Restaurants (including catering)</u> (CPC 641-643)	1) None 2) None 3) None  4) Unbound except as indicated in the horizontal section	<u>X.1 Local Presence</u>  Condition of licence is residency.  <i>[Articles 5, 7, 8, 17 and 18 of Act No 85/2007 on Restaurants, Collective Accommodation Establishments and Entertainment Services]</i> <i>[Article 3 of the Alcohol Act No. 75/1998]</i>	
B. <u>Travel Agencies and Tour Operators</u> (CPC 7471)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section	<u>X.1 Local Presence</u>  Condition of licence is residency  <i>[The Articles 8, 9, 11, 12 and 14 of the Tourism Administration Act No. 73/2005]</i>	
C. <u>Tourist Guides Services</u> (CPC 7472)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section	<u>X.1 Local Presence</u>  The right to exercise the profession is reserved for resident tourist guides. Non-resident tourist guides may be granted temporary work permit on an ad hoc basis.  <i>[The Tourism Administration Act No. 73/2005]</i>	
10. RECREATIONAL CULTURAL AND SPORTING SERVICES (other than audiovisual services)			

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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	<u>Other Limitations on National Treatment</u>	Additional Commitments
A. <u>Entertainment Services</u> (including theatre, live bands and circus services) (CPC 9619)	1) None 2) None 3) None  4) Unbound except as indicated in the horizontal section		
B. <u>News Agency Services</u> (CPC 962)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
C. <u>Libraries, Archives, Museums and other Cultural Services</u> (CPC 963)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
D. Sporting and other Recreational Services (CPC 964)	1) None 2) None 3) Gambling, coin machines and like activities are subject to licensing. Professional boxing is prohibited by law. 4) Unbound except as indicated in the horizontal section		
11. TRANSPORT SERVICES			
A. <u>Maritime Transport Services</u>			

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Sector or Sub-sector	Limitations on Market Access	<u>Other Limitations on National Treatment</u>	Additional Commitments
International transport (passengers and freight) CPC 7211 and 7212 <del>including Cabotage transport 1).</del>	1) None 2) None 3) (a) Establishment of a registered company for the purpose of operating a fleet under Icelandic flag: Unbound except as indicated in the horizontal section. (b) Other forms of commercial presence 2): None. 4) (a) Ships' crew: Unbound except as indicated in the horizontal section. (b) Key personnel employed in relation to a commercial presence as defined under mode 3(b) above: Unbound except as indicated in the horizontal section.		

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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	<del>Other Limitations on National Treatment</del>	Additional Commitments
<p><u>Maritime Auxiliary Services</u></p> <p>- Maritime Cargo Handling Services 3)</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section</p>		
<p>- Storage and Warehousing Services (CPC 742); Customs Clearance Services 4); Container Station and Depot 5)</p>	<p>1) <del>Unbound</del><sup>*</sup>None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section</p>		
<p>- Maritime Agency Services 6); Freight Forwarding Services 7)</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section</p>		
<p>- Other Supporting and Auxiliary Transport Services 8)</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section</p>		

<sup>\*</sup>A commitment on this mode of delivery is not feasible.



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Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments
Auxiliary Services as required by Maritime Transport Operators:			<p>The following services are made available to international maritime transport suppliers on reasonable and non-discriminatory terms and conditions:</p> <ol style="list-style-type: none"><li>1. Pilotage</li><li>2. Towing and tug assistance</li><li>3. Provisioning, fuelling, watering</li><li>4. Garbage collecting, ballast waste disposal</li><li>5. Port Captain's services</li><li>6. Navigation aids</li><li>7. Shore-based operational services essential to ship operations, incl. communications, water, electrical supplies</li><li>8. Emergency repair facilities</li><li>9. Anchorage, berth, berthing services</li><li>10. Container handling, storage and warehousing, freight transport.</li></ol> <p>Where road, coastal shipping and related auxiliary services are not otherwise fully covered in this schedule, a multimodal transport operator shall have the ability to rent, hire or charter trucks and related equipment for the purpose of inland forwarding of international cargoes carried by sea, or have access to and use of such multimodal activities for the purpose of providing multimodal transport services.</p>

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Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
C. <a href="#">Air Transport Services</a>			
Maintenance and repair of aircraft and parts thereof	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
Sales and marketing	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
Computer Reservations System	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
<a href="#">Air ground handling services</a>	1) <a href="#">None</a> 2) <a href="#">None</a> 3) <a href="#">None</a> 4) <a href="#">Unbound except as indicated in the horizontal section</a>		

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Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<u>Airport operation services</u>	1) <u>None</u> 2) <u>None</u> 3) <u>None</u> 4) <u>Unbound except as indicated in the horizontal section</u>		
F. <u>Road Transport Services</u>			
(a) Passenger transportation (CPC 7121 + 7122)	1) None 2) None 3) Authorization required for commercial land transport services. Numerical quotas may be imposed as well as exclusive licenses for certain areas or routes. 4) Unbound except as indicated in the horizontal section		
(b) Freight transportation (CPC 7123)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
(c) Rental of commercial vehicles with operator (CPC 7124)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		

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Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(d) Maintenance and repair of road transport equipment (CPC 6112+8867)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
(e) Supporting services for road transport services (CPC 744)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		
<b>G. Pipeline transport</b>			
Pipeline transportation of petroleum and natural gas (CPC 7131)	1) Unbound 2) None 3) Unbound 4) Unbound except as indicated in the horizontal section		
Pipeline transportation of goods other than fuel (CPC 7139)	1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section		
<b>H. Services auxiliary to all modes of transport</b>			

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Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(b) Storage and warehousing services (CPC 742)	1) <del>Unbound</del> *None 2) None 3) None 4) Unbound except as indicated in the horizontal section	<del>X.1 Local Presence</del>  Residency requirement for board members of the legal person applying for a license.  <i>[Customs Act No. 88/2005]</i>	
(c) Freight transport agency services (CPC 748)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section	<del>X.1 Local Presence</del>  Residency requirement for board members of the legal person applying for a license.  <i>[Customs Act No. 88/2005]</i>	
d) Other (CPC 749)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section		

**ICELAND – LIST OF MFN EXEMPTIONS REFERRED TO IN ARTICLE [MFN]**

Sector or Subsector	Description of measure indicating its inconsistency with Article [...]	Countries to which the measure applies	Intended duration	Conditions creating the need for the exemption
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\* Unbound due to lack of technical feasibility.

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Sector or Subsector	Description of measure indicating its inconsistency with Article [...]	Countries to which the measure applies	Intended duration	Conditions creating the need for the exemption
ALL SECTORS	Measures aimed at promoting Nordic cooperation such as: - guarantees and loans to investment projects and exports (The Nordic Investment Bank) - financial support to R&D projects (The Nordic Industrial Fund) - funding of feasibility studies for international projects (The Nordic Fund for Project Exports) - financial assistance to companies* utilizing environmental technology (The Nordic Environment Finance Corporation).	Denmark, Finland, Iceland, Norway and Sweden  (* Applies to East European companies, which are co-operating with a Nordic company.	Indefinite	To maintain and develop Nordic Cooperation
Audiovisual services; transmission of audiovisual programmes	Measures that are adopted for the implementation and in conformity with the regulations such as the EC Television Broadcasting Directive (no. 89/552) and which define programmes of European origin in order to extend national treatment to audiovisual programmes meeting specific origin criteria	Parties to the Council of Europe Convention on Transfrontier Television or other European countries parties to the EEA Agreement with whom an agreement may be concluded	Indefinite	The promotion of cultural identity within the broadcasting sector in Europe, as well as achievement of certain linguistic policy objectives

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Sector or Subsector	Description of measure indicating its inconsistency with Article [...]	Countries to which the measure applies	Intended duration	Conditions creating the need for the exemption
Audiovisual services; production and distribution of cinematographic works and television programmes	Measures that are adopted for the implementation of benefits in conformity with such support programmes as MEDIA and EURIMAGES to audiovisual programmes and suppliers to these programmes, meeting specific European origin criteria	European countries	Indefinite	Preservation and promotion of the regional identity of the countries concerned
	<p>Support programmes for the production and distribution of cinematographic works and television programmes (The Nordic Film and TV Fund)</p> <p>Measures based upon government-to-government framework agreements, and plurilateral agreements, on co-production of audiovisual works, which confer National Treatment to audiovisual works covered by these agreements, in particular in relation to distribution and access to funding</p>	<p>Denmark, Finland, Norway and Sweden</p> <p>All countries with whom cultural cooperation may be desirable (agreements already exist, or are being negotiated, with the following countries: France, Canada)</p>	<p>Indefinite</p> <p>Indefinite (The promotion of cultural links between countries cannot be time bound)</p>	<p>To maintain and develop Nordic cooperation</p> <p>The aim of these agreements is to promote cultural links between the countries concerned</p>