

ANNEX XI

REFERRED TO IN ARTICLE 4.4

INVESTMENT RESERVATIONS

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APPENDIX 1 TO ANNEX XI

RESERVATIONS
BY HONG KONG, CHINA

HONG KONG, CHINA

Sector:	Manufacture and storage of dutiable commodities
Sub-sector:	-
Legal source or authority of the measure:	Sections 7 & 8A of the Dutiable Commodities Ordinance (Cap. 109) and Regulation 22 of the Dutiable Commodities Regulations (Cap. 109A)
Succinct description of the measure:	To apply for a licence for the manufacture or storage of dutiable commodities under the Dutiable Commodities Ordinance (Cap. 109), the applicant has to appoint a responsible person to be held responsible for the running and management of the premises concerned. The responsible person has to be a Hong Kong resident holding a valid Hong Kong Identity Card.
Purpose or motivation of the measure:	For effective enforcement of excise control and revenue protection.

HONG KONG, CHINA

Sector:	Manufacture of optical discs and stampers
Sub-sector:	-
Legal source or authority of the measure:	Sections 5(1), 5(2)(c)(v) and 30 of the Prevention of Copyright Piracy Ordinance (Cap. 544)
Succinct description of the measure:	To apply for a licence for the manufacture of optical discs or stampers under the Prevention of Copyright Piracy Ordinance (Cap. 544), the applicant has to be a Hong Kong resident holding a valid Hong Kong Identity Card.
Purpose or motivation of the measure:	For effective enforcement of copyright protection.

HONG KONG, CHINA

Sector:	Energy
Sub-sector:	-
Legal source or authority of the measure:	-
Succinct description of the measure:	Hong Kong, China reserves the right to adopt or maintain any measures with respect to the energy sector.
Purpose or motivation of the measure:	For energy policy considerations.

APPENDIX 2 TO ANNEX XI

RESERVATIONS
BY ICELAND

ICELAND

Sector:	All sectors
Sub-sector:	-
Legal source or authority of the measure:	Law No. 138/1994 Respecting Private Limited Companies, Law No. 2/1995 Respecting Public Limited Companies, Law No. 34/1991 on Investment by Non-Residents in Business Enterprises
Succinct description of the measure:	<p>The majority of the founders of a private limited company or a public limited company must either be resident in Iceland, in another member state of the European Economic Area, in another member state of the European Free Trade Association or in the Faroe Islands. The Minister of Commerce can grant exemptions from these restrictions.</p> <p>The manager(s) and at least half the board of directors of a private limited company or a public limited company must either be resident in Iceland, in another member state of the European Economic Area, in another member state of the European Free Trade Association or in the Faroe Islands. The Minister of Commerce can grant exemptions from these restrictions.</p>
Purpose or motivation of the measure:	To secure that the legal venue of the majority of the board of directors and managers is within Icelandic jurisdiction.

ICELAND

Sector:	All sectors
Sub-sector:	-
Legal source or authority of the measure:	Law No. 19/1966 on the Right to Own and Use Real Estate, Law No. 34/1991 on Investment by Non-Residents in Business Enterprises
Succinct description of the measure:	Only Icelandic citizens and Icelandic legal entities and citizens and legal entities from another member state of the European Economic Area, another member state of the European Free Trade Association or from the Faroe Islands are allowed to own real estate in Iceland unless the ownership and use is linked to an investment in real estate pertaining to the business activity of the investor. The same applies to the hiring of a real estate if the duration of the lease lasts for more than three years. These restrictions do not apply to a non-EEA citizen who has been residing in Iceland for at least five years. The Minister of Justice can grant exemptions from these restrictions.
Purpose or motivation of the measure:	Fluctuations in real estate prices due to possible excess foreign demand can adversely affect the domestic market for housing and summer houses (secondary homes).

ICELAND

Sector:	Fisheries
Sub-sector:	Fishing, whaling
Legal source or authority of the measure:	Law No. 22/1998 on the Fishing and Fish processing of Foreign Vessels in Iceland's Economic Zone, Law No. 34/1991 on Investment by Non-Residents in Business Enterprises, Law No. 26/1949 on Whaling
Succinct description of the measure:	<p>Only the following may conduct fishing operations within the Icelandic fisheries jurisdiction:</p> <ul style="list-style-type: none">(a) Icelandic citizens and other Icelandic persons.(b) Icelandic legal persons which are wholly owned by Icelandic persons or Icelandic legal persons which:<ul style="list-style-type: none">(i) are controlled by Icelandic entities;(ii) are not under more than 25 percent ownership of foreign residents calculated on the basis of share capital or initial capital. However, if the share of an Icelandic legal person in a legal person conducting fishing operations in the Icelandic fisheries jurisdiction or fish processing in Iceland is not above 5 percent, the share of the foreign resident may be up to 33 percent;(iii) are in other respects under the ownership of Icelandic citizens or Icelandic legal persons controlled by Icelandic persons.
Purpose or motivation of the measure:	The relative economic importance of the fishing industry for Iceland, with fish and fish products constituting around half of the country's foreign earnings, as well as Iceland's determination to maintain a sustainable yield from its fishing stocks. The control and surveillance regarding the preservation of Icelandic fish stocks needs to be under Icelandic jurisdiction.

ICELAND

Sector:	Fisheries
Sub-sector:	Fish Processing
Legal source or authority of the measure:	Law No. 34/1991 on Investment by Non-Residents in Business Enterprises
Succinct description of the measure:	<p>Only the following may own or run enterprises engaged in fish processing in Iceland:</p> <ul style="list-style-type: none"> (a) Icelandic citizens and other Icelandic persons. (b) Icelandic legal persons which are wholly owned by Icelandic persons or Icelandic legal persons which: <ul style="list-style-type: none"> (i) are controlled by Icelandic entities; (ii) are not under more than 25 percent ownership of foreign residents calculated on the basis of share capital or initial capital. However, if the share of an Icelandic legal person in a legal person conducting fishing operations in the Icelandic fisheries jurisdiction or fish processing in Iceland is not above 5 percent, the share of the foreign resident may be up to 33 percent; (iii) are in other respects under the ownership of Icelandic citizens or Icelandic legal persons controlled by Icelandic persons. <p>Fish processing in this context is freezing, salting, drying and any other process used to initially preserve fish and fish products, including melting and meal processing. This reservation does not apply to secondary fish processing.</p>
Purpose or motivation of the measure:	<p>The reservation on fish processing is an integral part of retaining control in the field of fishing and whaling. The relative economic importance of the fishing industry for Iceland, with fish and fish products constituting around half of the country's foreign earnings, as well as Iceland's determination to maintain a sustained yield from its fishing stocks. The control and surveillance regarding the preservation of Icelandic fish stocks needs to be under Icelandic jurisdiction.</p>

ICELAND

Sector:	Fisheries
Subsector:	Fish Auctioning
Legal source or authority of the measure:	Law No. 79/2005 on the Auctioning of Fish
Succinct description of the measure:	Only Icelandic citizens and Icelandic legal entities and citizens and legal entities from another member state of the European Economic Area, from another member state of the European Free Trade Association or from the Faroe Islands are allowed to own and manage enterprises engaged in fish auctioning in Iceland.
Purpose or motivation of the measure:	The reservation on fish auctioning is an integral part of retaining control in the field of fishing and whaling. The relative economic importance of the fishing industry for Iceland, with fish and fish products constituting around half of the country's foreign earnings, as well as Iceland's determination to maintain a sustained yield from its fishing stocks. The control and surveillance regarding the preservation of Icelandic fish stocks needs to be under Icelandic jurisdiction.

ICELAND

Sector:	Power and Energy sector
Sub-sector:	-
Legal source or authority of the measure:	Not applicable
Succinct description of the measure:	Iceland reserves the right to maintain or adopt any measure with respect to the power and energy sector.
Purpose or Motivation of the Measure:	Energy policy considerations

APPENDIX 3 TO ANNEX XI

RESERVATIONS
BY LIECHTENSTEIN

LIECHTENSTEIN

Sector:	All sectors
Sub-sector:	-
Legal source or authority of the measure:	Gewerbegesetz (Act on Commercial Law) of 10 December 1969, LR (Systematic Collection of Liechtenstein Law) 930.1, and relevant laws as mentioned in Article 2, paragraph 1 of that Act, as well as relevant Parliament or Government decisions.
Succinct description of the measure:	The establishment of a commercial presence by a juridical person (including branches) is subject to the requirement that no objection for reasons of national economy is made (balanced proportion of national and foreign capital; balanced ratio of foreigners in comparison with the number of resident population; balanced ratio of total number of jobs in the economy in comparison with the number of the resident population; balanced geographic situation; balanced development of the national economy, between and within the sectors).
Purpose or motivation of the measure:	To ensure a balanced development of the national economy taking into account the specific geographic situation of the country, its limited resources and the small labour market.

LIECHTENSTEIN

Sector:	All sectors
Sub-sector:	-
Legal source or authority of the measure:	Gewerbegesetz (Commercial Law Act) of 10 December 1969, LR 930.1; Personen- und Gesellschaftsrecht (Company Law) of 20 January 1926, LR 216.0
Succinct description of the measure:	<p>The establishment of a commercial presence by an individual is subject to the requirement of prior residence during a certain period of time and of permanent domicile in Liechtenstein.</p> <p>The establishment of a commercial presence by a juridical person (including branches) is subject to the following requirements: At least one of the managers has to fulfil the requirements of prior residence during a certain period of time and of permanent domicile in Liechtenstein. The majority of the administrators (authorised to manage and represent the juridical person) must be residents in Liechtenstein and have either to be Liechtenstein citizens or have prior residence during a certain period of time in Liechtenstein. The general and the limited partnership have to fulfil the same conditions as corporations with limited liability (juridical person). In addition, the majority of the associates have to be Liechtenstein citizens or to have prior residence during a certain period of time in Liechtenstein.</p> <p>The Liechtenstein company law does not prohibit joint stock companies from foreseeing in their articles of incorporation the preclusion or limitation of the transfer of registered shares.</p>
Purpose or motivation of the measure:	To facilitate judicial proceedings.

LIECHTENSTEIN

Sector:	All sectors
Subsector:	-
Legal source or authority of the measure:	Agreement on the European Economic Area of 2 May 1992 (EEA Agreement)
Succinct description of the measure:	<p>Treatment accorded to subsidiaries of third-country companies formed in accordance with the law of an EEA Member State and having registered office, central administration or principal place of business within an EEA Member State is not extended to branches or agencies established in an EEA Member State by a third-country company.</p> <p>Treatment less favourable may be accorded to subsidiaries of third countries having only their registered office in the territory of an EEA Member State unless they show that they possess an effective and continuous link with the economy of one of the EEA Member States.</p>
Purpose or motivation of the measure:	To ensure that benefits from the EEA Agreement are not automatically accorded to third countries.

LIECHTENSTEIN

Sector:	All sectors
Subsector:	-
Legal source or authority of the measure:	Grundverkehrsgesetz (Law on the acquisition of real estate) of 9 December 1992, LR 214.11
Succinct description of the measure:	All acquisitions of real estate are subject to authorisation. Such authorisation is granted only if an actual and proven requirement for living or business purposes is given and a certain period of residence has been completed. Non-residents are excluded from the acquisition of real estate.
Purpose or motivation of the measure:	Extreme scarcity of available land. Preservation of access to real estate for the resident population and maintenance of a balanced geographic situation.

LIECHTENSTEIN

Sector:	Power and Energy sector
Sub-sector:	-
Legal source or authority of the measure:	Not applicable
Succinct description of the measure:	Liechtenstein reserves the right to maintain or adopt any measure with respect to the power and energy sector.
Purpose or motivation of the measure:	Energy policy considerations

APPENDIX 4 TO ANNEX XI

RESERVATIONS
BY NORWAY

NORWAY

Sector:	All sectors
Sub-sector:	-
Legal source or authority of the measure:	Companies Act of 13 June 1997 No 44 (aksjeloven) and Joint Stock Public Companies Act of 13 June 1997, No 45 (allmennaksjeselskapsloven)
Succinct description of the measure:	The general manager in a joint stock company and at least half of the members of the board of directors and of the corporate assembly must be residents of Norway. The residency criteria do not apply to nationals of an EEA Member State who are permanent residents of one of these States. The Ministry of Trade and Industry may grant exemptions from this provision.
Purpose or motivation of the measure:	The resident criteria are based on reasons of jurisdiction, in order to ensure that the persons responsible for the company's affairs are accessible

NORWAY

Sector:	Power and Energy sector
Sub-sector:	-
Legal source or authority of the measure:	Not Applicable
Succinct description of the measure:	Norway reserves the right to maintain or adopt any measure with respect to the power and energy sector.
Purpose or motivation of the measure:	Energy policy considerations

NORWAY

Sector:	Repair of Transport Equipment sector
Sub-sector:	-
Legal source or authority of the measure:	Not Applicable
Succinct description of the measure:	Norway reserves the right to maintain or adopt any measure with respect to the repair of transport equipment sector.
Purpose or motivation of the measure:	To ensure the policy that any commitments in this area are adopted in Chapter 3 of the Agreement.

NORWAY

Sector:	All sectors
Sub-sector:	-
Legal source or authority of the measure:	Not applicable
Succinct description of the measure:	Norway reserves the right to apply measures inconsistent with Article 4.3 for the imposition, enforcement or collection of direct taxes in so far as such measures do not contravene any tax treaty which is in force between Hong Kong, China and Norway.
Purpose or motivation of the measure:	Taxation policy considerations

NORWAY

Sector:	Fishing and fish processing
Subsector:	-
Legal source or authority of the measure:	Regulation of Participation in Fishing Act of 26 March 1999, No 15 Economic Zone Act of 17 December 1976, No 91 The Fishing Limit Act of 17 June 1966, No 19
Succinct description of the measure:	<p>A concession to acquire a fishing vessel or share in a company which owns such vessels can only be given to a Norwegian citizen or a body that can be defined as a Norwegian citizen. A company is regarded as having equal rights with a Norwegian citizen when its main office is situated in Norway and the majority of the Board, including the Chair of the Board, are Norwegian citizens and have stayed in the country the last two years. Norwegian citizens also have to own a minimum of 60 percent of the shares and have to be authorised to vote for at least 60 percent of the votes.</p> <p>Ownership to the fishing fleet shall be reserved for professional fishermen. To obtain the right to own a fishing vessel, one has to have a record of active, professional fishing on a Norwegian fishing boat for at least three of the last five years.</p> <p>It is prohibited for other persons than Norwegian nationals or companies, as defined above, to process, pack or transship fish, crustaceans and molluscs or parts and products of these inside the fishing limits of the Norwegian Economic Zone. This applies to catches from both Norwegian and foreign vessels. Exceptions are granted under special circumstances.</p>
Purpose or motivation of the measure:	Resource conservation and management

NORWAY

Sector:	All sectors
Sub-sector:	-
Legal source or authority of the measure:	<ol style="list-style-type: none"> 1. Act 9. April 1965 no. 1 regarding levy to the Norwegian Composer's fund 2. Act 12. May 1961 no. 2 relating to Copyright 3. Act 14. December 1956 no. 4 regarding levy on public performance of performing artist's performances 4. Act 4. November 1948 no. 1 relating to levy on sale of works of visual art, cf. Copyright Act section 38c
Succinct description of the measure:	<p>Norwegian regulations for certain areas of copyright and related rights require the collective management of rights through a Norwegian organisation, hence an investor holding an intellectual property right cannot exploit this himself or through a foreign representative.</p> <p>Certain collective copyright and neighbouring rights' management systems entail channelling of royalties through cultural collective funds and grants, by organisations approved by Norwegian authorities and with funds reserved for artists living and working in Norway.</p> <ol style="list-style-type: none"> 1. A percentage of royalties for all authors of music as well as royalties for mechanical rights are reserved for fund supporting composers working in Norway. 2. There is a compulsory licence for public performance of sound recordings: these royalties can only be collected by approved Norwegian organisation GRAMO, and are transferred to Rome Convention right holders in cases of reciprocal agreement between organisations. 3. Public performance of non-protected sound recordings entails payment of a levy to a collective cultural fund for Norwegian artists and producers. 4. A percentage of the sale price of works of visual art is reserved for fund supporting Norwegian artists. EEA-based artists are entitled to remuneration when resale of an original work of art exceeds a certain price level.
Purpose or motivation of the measure:	To preserve and promote linguistic and cultural diversity in Norway.

APPENDIX 5 TO ANNEX XI

RESERVATIONS
BY SWITZERLAND

SWITZERLAND

Sector:	All sectors
Sub-sector:	-
Legal source or authority of the measure:	Federal Act of 30 March 1911 (Code of Obligations) supplementing the Swiss Civil Code (Systematic Collection of Federal Laws and Regulations (RS 220)
Succinct description of the measure:	<p>For a “corporation” (société anonyme/ Aktiengesellschaft), a “corporation with unlimited partners” (société en commandite par actions/ Kommanditaktiengesellschaft), a “limited partnership” (société à responsabilité limitée/ Gesellschaft mit beschränkter Haftung) and a “cooperative” (société cooperative/ Genossenschaft) at least one member of the governing body of the legal person or another person with the right to represent the legal person must be domiciled in Switzerland.</p> <p>A foreign legal person may also establish one or several branch offices in Switzerland. At least one person of the branch office with the right to represent the branch office must be domiciled in Switzerland.</p>
Purpose or motivation of the measure:	To facilitate judicial proceedings.

SWITZERLAND

Sector:	All sectors
Sub-sector:	-
Legal source or authority of the measure:	Federal Act of 16 December 1983 on the Acquisition of Real Estate by Persons Abroad (RS 211.412.41)
Succinct description of the measure:	Acquisition of real estate is subject to authorisation by the relevant cantonal authority when the acquirer does not use the property to operate a permanent establishment.
Purpose or motivation of the measure:	Scarcity of available land.

SWITZERLAND

Sector:	Energy sector
Sub-sector:	-
Legal source or authority of the measure:	Not applicable
Succinct description of the measure:	Switzerland reserves the right to maintain or adopt any measure with respect to the energy sector.
Purpose or motivation of the measure:	Energy policy considerations and national security.
