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Workshop Exercises

Submitted by: Peru



**Capacity Building Workshop on Negotiations of
Services Chapters Under Free Trade Agreements
with a Negative List Approach**

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EXERCISES
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Winterfell is elaborating its non-conforming measures for a current negotiation.

Using the information below, design the NCM or NCMs that Winterfell would need to include.

Exercise N° 1:

Regulations of Winterfell do not impose restrictions on online higher education. Over the last years, the number of nationals from Winterfell that have obtained a degree through online higher education has increased. Winterfell government officials have some concerns about the quality of these degrees. Therefore, the government is planning to enact a law that requires its nationals to take this kind of studies from Winterfell universities.

The government of Winterfell is aware that there is not possible to impede their nationals from studying abroad. Nevertheless, the government wants to ensure that young people will study medicine in Winterfell in order to ensure the quality and the ability of professionals in health. For this reason, the government officials expect to change the law about higher education and establish that it will prohibit its nationals to study medicine abroad.

Regulation related to Education in Winterfell seeks to promote foreign investment in the basic education sector. For example, 100% of foreign capital is allowed in this sector. Nevertheless, the government of Winterfell prefers to maintain its ability to restrict the foreign capital in this sector in the future.

Exercise N° 2:

The Board of Engineers of Winterfell is the body in Winterfell responsible for the regulation of engineering. The Code of Engineering (currently in force), which has been enacted by the Board of Engineers, imposes a higher fee for the foreign engineers than for the national engineers. Winterfell does not want its FTA to affect this different treatment.

Also, Winterfell wants to maintain the ability to require engineers to obtain an international certification in order to provide services in its territory.

In addition, officials from Winterfell are aware that engineers from Tatooine are highly qualified. In that sense, they are planning to implement a mechanism for the automatic recognition of engineering degrees that have been issued in Tatooine.

Complete the “Obligations Concerned” element in the following NCMs of Winterfell:

Exercise N° 3:

The government of Winterfell is entering into negotiations with Tatooine. One of the main concerns of Winterfell is the provision of fire-fighting services.

In Winterfell these services are provided by the Government and they want to reserve the right to be the only providers of those services. Government officials of Winterfell are planning to include a non-conforming measure in Annex II for those services.

Exercise N° 4:

The government of Winterfell will implement a program for granting subsidies for consultants that provide advisory services in the construction sector. With this program, Winterfell expects to improve the quality of the construction services.

Government officials of Winterfell are worried because several foreign consultants from Tatooine, providing the same advisory service, might request to be beneficiaries of those subsidies. Winterfell wants to be sure that its FTA with Tatooine will not affect their ability to grant these subsidies only to its national consultants.

Also, Winterfell officials seek to implement a registration program for advisory in the construction sector. This program will require every foreign consultant to be registered in the Ministry of Construction of Winterfell, in order to provide advisory services in the construction sector.

Exercise N° 5:

Sector:	Transportation
Sub-Sector:	Maintenance and repair of road transport equipment
Obligations Concerned:
Level of Government:	Central
Measures:	Automobile Management Act (Law N° 9109, 13 de junio de 2008), Art. 20, 44, 45, and 53
Description:	Any person which supplies maintenance services for vehicles shall establish an office of representation in Winterfell and obtain an authorisation from the city hall. This authorisation could be subject to an economic needs test.

Exercise N° 6:

Sector:	Manufacturing and Distribution services
Subsector:	Tobacco and liquor
Obligations concerned:
Level of Government:	Central
Measures:	Presidential Decree N° 21148, December 3 of 2008), Art. 4 and 5
Description:	<p>Any person who supplies wholesale trade services or retailing services of tobacco must establish an office in Winterfell.</p> <p>The distance between retail businesses should be at least 50 meters. Any enterprise shall not exceed the 50% of foreign capital.</p>

Exercise N° 7:

Sector:	Transportation
Subsector:	Maritime Transportation
Obligations concerned:	...
Level of Government:	Central
Measures:	Decree 854 of Maritime Transportation. Articles 2, 4 and 6
Description:	<p>The captain, officials, engineers and other marines require a certification granted by the Ministry of Transport to operate “big scale” flagged vessels. Those certificates could only be granted to nationals from “Tattoine”.</p>

Exercise N° 8:

Sector:	Business services
Subsector:	Professional services
Obligations concerned:
Level of Government:	Central
Measures:	Articles 4, 7, 9 y 10 – Regulation of the Accountancy profession.
Description:	Any person who practice a profession listed in the measures of this reservation needs to be fluent in the official language. Reciprocity requirements may apply for professionals from other Economies.

Exercise N° 9:

Sector:	Audiovisual Industry
Subsector:	
Obligations concerned:
Level of Government:	Central
Description:	Winterfell reserves the right to adopt or maintain any measure that requires a specific percentage of national cinematographic production.

Exercise N° 10:

Sector:	Recreational, Cultural and Sporting Services
Subsector:	Circus
Obligations concerned:
Level of Government:	Central
Measures:	Decree N° 89 - Law for Foreign Workers, articles 1, 3, 4
Description:	Foreign natural persons may not represent more than 20 per cent of the total number of employees of a circus in "Winterfell". Also, their wages may not exceed 30 per cent of the total payroll for wages and salaries.