

ANNEX I
Schedule of Mexico

SECTOR: All sectors

SUB-SECTOR: All sub-sectors

INDUSTRY CLASSIFICATION: Not applicable

TYPE OF RESERVATION: National Treatment (Article 1102)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Constituci3n Pol;tica de los Estados Unidos Mexicanos (United Mexican States Political Constitution). T;tulo I Cap;tulo I.

Ley de Nacionalidad y Naturalizaci3n (Nationality and Naturalization Law). Cap;tulo VI (Disposiciones generales)

Ley Org;nica de la Fracci3n I del Art;culo 27 de la Constituci3n (Organic Law of the First Section of Article 27 of the United Mexican States Political Constitution).

Ley para Promover la Inversi3n Mexicana y Regular la Inversi3n Extranjera (Law to Promote Mexican Investment and to Regulate Foreign Investment). Cap;tulos I y IV (Objeto y Fideicomisos en frontera y litorales)

Reglamento de la Ley para Promover la Inversi3n Mexicana y Regular la Inversi3n Extranjera (Regulations of the Law to Promote Mexican Investment and to Regulate Foreign Investment). T;tulo III Cap;tulo I y T;tulo III Cap;tulo III. (Inversi3n extranjera mediante fideicomisos)

DESCRIPTION: Investment

Foreigners and foreign enterprises, as defined in the Constituci3n Pol;tica de los Estados Unidos Mexicanos; and Mexican enterprises without a foreigners' exclusion clause may not acquire "direct dominion" (dominio directo) over land and water in a 100 kilometers strip along the country's borders or in a 50 kilometers strip inland from its coasts (the Restricted Zone).

Nevertheless, foreigners, foreign enterprises and Mexican enterprises

may acquire "Certificados de Participaci n Ordinaria" (CPO's). Such CPO's grant to the beneficiaries the right to use and enjoy the real estate and to receive the profits that it may obtain from the profitable use of the property.

The CPO's are issued by a Mexican credit institution that has been granted authorization to acquire through trust the title to real estate intended for industrial and tourist activities in the Restricted Zone for a period not to exceed 30 years.

The trust is renewable if:

- (a) The beneficiaries of the trust which is to be extinguished or terminated will be beneficiaries of the new trust;
- (b) the new trust is to be executed under the same terms and conditions as the trust which is to be extinguished or terminated, in respect of the purposes of the trust, the use of real estate and its characteristics;
- (c) the respective permits are requested within a period of 360 to 181 days prior to the trust be extinguished or terminated; and
- (d) the provisions of the Ley para Promover la Inversi n Mexicana y Regular la Inversi n Extranjera and its regulations are observed.

DURATION: Indeterminate

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ANNEX I
Schedule of Mexico

SECTOR: All sectors

SUB-SECTOR: All sub-sectors

INDUSTRY CLASSIFICATION: Not applicable

TYPE OF RESERVATION: National Treatment (Article 1102)

LEGAL CITATION: Ley Para Promover la Inversi n Mexicana y Regular la Inversi n Extranjera (Law to Promote Mexican

Investment and to Regulate Foreign Investment).

Reglamento de la Ley Para Promover la Inversi n Mexicana y Regular la Inversi n Extranjera (Regulations of the Law to Promote Mexican Investment and to Regulate Foreign Investment).

DESCRIPTION: Investment

The Comisi n Nacional de Inversiones Extranjeras in order to evaluate the applications submitted to its consideration (acquisitions or establishment of investments in restricted activities as set out in this Schedule), shall take into account the following criteria:

- (a) Its effects on employment and training;
- (b) Its technological contribution;
- (c) In general its contribution to increase the Mexican industrial production and competitiveness.

The Comisi n Nacional de Inversiones Extranjeras may impose performance requirements which are not prohibited by Article 1106 of the Investment Chapter.

DURATION: Description shall govern upon entry into force of this Agreement.

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ANNEX I

Schedule of Mexico

SECTOR: All sectors

SUB-SECTOR: All sub-sectors

INDUSTRY CLASSIFICATION: Not applicable

TYPE OF RESERVATION: National Treatment (Article 1102)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Ley Para Promover la Inversi n Mexicana y Regular la Inversi n Extranjera (Law to Promote Mexican Investment and to Regulate Foreign Investment).

Reglamento de la Ley Para Promover la

Inversi n Mexicana y Regular la
Inversi n Extranjera (Regulations of
the Law to Promote Mexican Investment
and to Regulate Foreign Investment).

DESCRIPTION: Investment

Mexico will review the acquisition,
whether directly or indirectly, of
more than 49% of the ownership
interest of a Mexican enterprise in an
unrestricted sector, that is owned or
controlled by Mexican nationals,
directly or indirectly, by an investor
of another Party if the value of the
gross assets of the Mexican enterprise
is not less than the applicable
thresholds, effective on the date of
entry into force of this Agreement and
adjusted on each anniversary thereof.
The calculation of the applicable
review thresholds is set out in the
following section below.

DURATION: Description shall govern upon entry
into force of this Agreement.

The basis for calculating the
threshold will be:

- (a) USD 25 million, for the three
year period commencing on the
date of entry into force of this
Agreement;
- (b) USD 50 million, for the three
year period commencing on the
fourth year after the date of
entry into force of this
Agreement;
- (c) USD 75 million, for the three
year period commencing on the
seventh year after the entry into
force of this Agreement;
- (d) USD 150 million, for the tenth
year after entry into force of
this Agreement.

Beginning with the Agreement's second
year these thresholds shall be
adjusted for cumulative inflation
based on the US GDP price deflator
from the date of entry into force of
this Agreement.

Beginning with year eleven after entry
into force of this Agreement, the
threshold will be adjusted for growth
in nominal Mexican GDP--but in no case
will the threshold to be applied
exceed that of Canada.

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ANNEX I
Schedule of Mexico

SECTOR: All sectors

SUB-SECTOR: All sub-sectors

INDUSTRY CLASSIFICATION: Not applicable

TYPE OF RESERVATION: National Treatment (Article 1102) Senior
Management
(Article 1107)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Constituci3n Pol;tica de los Estados
Unidos Mexicanos (United Mexican
States Political Constitution).

Ley General de Sociedades Cooperativas
(General Law of Cooperative
Companies). T;tulo I Cap;tulo I y
T;tulo II Cap;tulo II

DESCRIPTION: Investment

No more than 10 percent of the persons
participating in a Mexican Cooperative
Production enterprise may be
foreigners.

Foreigners cannot engage in general
administrative functions.

DURATION: Indeterminate

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ANNEX I
Schedule of Mexico

SECTOR: All sectors

SUB-SECTOR: All sub-sectors

INDUSTRY CLASSIFICATION: Not applicable

TYPE OF RESERVATION: National Treatment (Article 1102)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Ley Federal para el Fomento de la Microindustria
(Law to
Promote the Microindustry).

DESCRIPTION: Investment

Only Mexican nationals and Mexican enterprises with foreigners' exclusion clause may qualify as microindustry enterprises.

DURATION: Indeterminate

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ANNEX I
Schedule of Mexico

SECTOR: Agriculture, Livestock, Forestry, and Lumber Activities

SUB-SECTOR: Agriculture, Livestock or Forestry

INDUSTRY CLASSIFICATION: CMAP 1111 Agriculture
CMAP 1112 Livestock
CMAP 120011 Forestry
CMAP 120012 Exploitation of Forest

Nurseries

CMAP 120030 Collection of Forest

Products

CMAP 120040 Falling Trees

TYPE OF RESERVATION: National Treatment (Article 1102)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Constituci3n Pol;tica de los Estados
Unidos Mexicanos (United Mexican States Political
Constitution).
Ley Agraria (Agrarian Law). T;tulo VI,

DESCRIPTION: Investment

All enterprises constituted in Mexico which own land for agriculture, livestock or forestry purposes, must issue a special type of shares ("T" shares) which represent the value of the aforementioned land at the time of its acquisition. Investors of another Party and their investments may own up to 49 percent of such "T" shares.

DURATION: Indeterminate

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ANNEX I
Schedule of Mexico

SECTOR: Communications

SUB-SECTOR: Entertainment Services (Broadcasting and Multipoint Distribution Systems, (MDS), and Cable Television)

INDUSTRY CLASSIFICATION: CMAP 941104 Private Production and Transmission of Radio Programs (Limited to Production

and Transmission of Radio Programs, MDS and uninterrupted music)

Production, CMAP 941105 Private Services of

Transmission and Repetition of Television Programming (Limited to Production, Transmission and Repetition of Television Programs, MDS, Direct Broadcasting Systems, and High Definition Television and Cable Television)

TYPE OF RESERVATION: National Treatment (Articles 1102, 1202)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Ley Federal de Radio y Televisi n (Radio and Television Federal Law), T tulo IV (Funcionamiento), Cap tulo III (Programaci n)

Reglamento de la Ley Federal de Radio y Televisi n y de la Ley de la Industria Cinematogr fica relativo al contenido de las transmisiones de Radio y Televisi n (Regulations of the Radio and Television Federal Law and Motion Picture Industry Law relating to Radio o Television Content), T tulo III (Programaci n)

Reglamento del Servicio de Televisi n por Cable, (Cable Television Regulations) Cap tulo VI (Programaci n)

DESCRIPTION: Cross-Border Services

For the protection of copyrights a holder of a concession for a commercial broadcast station or for a cable television system in Mexico is required to obtain an authorization from the Secretar a de Gobernaci n to import in any form radio or television programming for broadcast or cable distribution of such programming within Mexico.

The authorization will be granted if the request includes documentation showing that the foreign government,

sponsoring international organization,
or the private entrepreneur or
organizer has granted the license
("derechos") to retransmit or
distribute by cable such program.

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ANNEX I
Schedule of Mexico

SECTOR: Communications

SUB-SECTOR: Entertainment Services (Cable Television)

INDUSTRY CLASSIFICATION: CMAP 941105 Private Services of
Production, Transmission and
Retransmission of Television
Programming (Limited to cable
television)

TYPE OF RESERVATION: National Treatment (Articles 1102, 1202)
Local Presence (Article 1205)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Constituci3n Pol;tica de los Estados
Unidos Mexicanos(United Mexican States
Political Constitution), Article 32

Ley de V;as Generales de Comunicaci3n
(General Means of Communication Law),
Libro I Cap;tulo III (Concesiones,
Permisos y Contratos)

Ley Federal de Radio y Televisi3n
(Radio and Television Federal Law),
T;tulo III, (Concesiones, Permisos e
Instalaciones)

Ley para Promover la Inversi3n
Mexicana y Regular la Inversi3n
Extranjera (Law to Promote Mexican
Investment and to Regulate Foreign
Investment)

Reglamento del Servicio de Televisi3n
por Cable (Cable Television
Regulations), Cap;tulo II
(Concesiones)

Reglamento de la Ley para Promover la
Inversi3n Mexicana y Regular la
Inversi3n Extranjera (Regulations of
the Law to Promote Mexican Investment
and to Regulate Foreign Investment)

DESCRIPTION: Cross-Border Services

1. A concession granted by the
Secretar;a de Comunicaciones y

Transportes is required to construct and operate, or to operate, cable television systems. Such concession is granted only to Mexican nationals or Mexican enterprises.

Investment:

2. Investors of another Party and their investments may own, directly or indirectly, up to 49 percent of an enterprise established or to be established in Mexico which owns or operates a cable television systems or provides cable television services.

DURATION: Cross-Border Services Indeterminate.

Investment

Paragraph 2 of the description shall govern upon entry into force of this Agreement; subject to discussion by the Parties five years after the entry into force of this Agreement.

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ANNEX I
Schedule of Mexico

SECTOR: Communications

SUB-SECTOR: Entertainment Services

INDUSTRY CLASSIFICATION: CMAP 941103 Private Exhibition of Films (cinema)

TYPE OF RESERVATION: National Treatment (Article 1202)
Performance Requirements (Article 1106)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Ley de la Industria Cinematogr fica
(Motion Picture Industry Law)

Reglamento de la Ley de la Industria Cinematogr fica (Regulations of the Motion Picture Industry)

DESCRIPTION: Cross-Border Services and Investment

On an annual basis, 30 percent of the screen time of every theater may be reserved for films produced, either within or outside Mexico, by Mexican enterprises.

DURATION: The description shall govern upon

entry into force of this Agreement.

Indeterminate

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ANNEX I
Schedule of Mexico

SECTOR: Communications

SUB-SECTOR: Entertainment Services (Broadcasting,
Multipoint Distribution Systems (MDS),
and Cable Television)

INDUSTRY CLASSIFICATION: CMAP 941104 Private Production and
Transmission of Radio Programs
(Limited to Production and
Transmission of Radio Programs, MDS
and uninterrupted music)

CMAP 941105 Private Services of
Production, Transmission and
Retransmission of Television
Programming (Limited to Production,
Transmission and Retransmission of
Television Programs, MDS, Direct
Broadcasting Systems, High-Definition
Television and Cable Television)

TYPE OF RESERVATION: National Treatment (Article 1202)
Performance Requirement (Article 1106)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Ley Federal de Radio y Televisi n,
(Radio and Television Federal Law),
T tulo IV (Funcionamiento), Cap tulo
III (Programaci n)

Reglamento de la Ley Federal de Radio
y Televisi n y de la Ley de la
Industria Cinematogr fica relativo al
contenido de las transmisiones de
Radio y Televisi n (Regulation of
Radio and Television Federal Law and
Regulations of the Motion Picture
Industry Law relating to Broadcasting
Content), T tulo III (Programaci n)

Reglamento del Servicio de Televisi n
por Cable (Cable Television
Regulations), Cap tulo VI
(Programaci n)

DESCRIPTION: Cross-Border Services and Investment

The use of the Spanish language is
required for the broadcast, cable or
multipoint-distribution-system

distribution of radio or television programming, except when the Secretar;a de Gobernaci;n authorizes the use of another language.

A majority of personnel involved in the production and performance of a live broadcast programming activity must be Mexican nationals.

To perform in Mexico, a radio and television announcer or presentor who is not a Mexican national must obtain an authorization from the Secretar;a de Gobernaci;n.

DURATION: Indeterminate

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ANNEX I
Schedule of Mexico

SECTOR: Communications

SUB-SECTOR: Entertainment Services (Broadcasting,
and Multipoint Distribution Systems and Cable
Television)

INDUSTRY CLASSIFICATION: CMAP 941105 Private Services of
Production, Transmission and
Retransmission of Television
Programming (Limited to Broadcasting,
Cable Television and Multipoint
Distribution Systems)

TYPE OF RESERVATION: National Treatment (Article 1202)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Ley Federal de Radio y Televisi;n,
(Radio and Television Federal Law),
T;tulo IV (Funcionamiento), Cap;tulo
III (Programaci;n)

Reglamento de la Ley Federal de Radio
y Televisi;n y de la Ley de la
Industria Cinematogr fica relativo al
contenido de las transmisiones de
Radio y Televisi;n (Regulations of the
Radio and Television Federal Law and
Regulation of the Motion Picture
Industry Law relating to Broadcasting
Content), T;tulo III (Programaci;n)

Reglamento del Servicio de Televisi;n
por Cable, (Cable Television
Regulations), Cap;tulo VI
(Programaci;n)

DESCRIPTION: Cross-Border Services and Investment

The use of the Spanish language or Spanish subtitles is required for advertising broadcast or distributed in Mexico.

Advertising included in programs transmitted directly from outside Mexico may not be broadcast in such programs when they are retransmitted or distributed in Mexico

DURATION: Indeterminate

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ANNEX I
Schedule of Mexico

SECTOR: Communications

SUB-SECTOR: Telecommunications (Enhanced or Value-Added Services)

INDUSTRY CLASSIFICATION: CMAP 720006 Other Telecommunications
Services (Limited to Enhanced or
Value-Added Services)

TYPE OF RESERVATION: National Treatment (Articles 1102, 1202)
Local Presence (Article 1205)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Ley de Vías Generales de Comunicación
(General Means of Communication Law),
Libro Primero, Capítulo III
(Concesiones, Permisos y Contratos)

Reglamento de Telecomunicaciones
(Telecommunications Regulations),
Capítulo 4, (Permisos)

Ley para Promover la Inversión
Mexicana y Regular la Inversión
Extranjera (Law to Promote Mexican
Investment and to Regulate Foreign
Investment)

Reglamento de la Ley para Promover la
Inversión Mexicana y Regular la
Inversión Extranjera (Regulations of
the Law to Promote Mexican Investment
and to Regulate Foreign Investment)

DESCRIPTION: Cross-border Services

1. A provider of enhanced or value-added services must obtain a permit issued by the Secretaría de Comunicaciones y Transportes.

2. Persons of Canada or the United States may provide all enhanced or value-added services, except videotext or enhanced packet switching services, without the need to establish local presence.

3. Videotext and enhanced packet switching services may not be provided on a cross-border basis.

Investment

1. Investors of another Party and their investments may own 100 percent of an enterprise established or to be established in Mexico that provides any telecommunication enhanced or value-added service, other than videotext or enhanced packet switching services.

2. Investors of another Party and their investments may own, directly or indirectly, up to 49 percent of an enterprise established or to be established in Mexico that provides videotext or enhanced packet switching services.

DURATION: Cross-border Services

Paragraphs 2 and 3 of the description shall govern upon entry into force of this Agreement.

Commencing July 1, 1995, a person of Canada or the United States may provide videotext or enhanced packet switching services without the need to establish a local presence in Mexico.

Investment

Paragraph 1 of the description shall govern upon entry into force of this Agreement.

Commencing July 1, 1995, investors of another Party and their investments may own 100 percent of an enterprise established or to be established in Mexico that provides videotext or enhanced packet switching services.

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SECTOR: Communications

SUB-SECTOR: Transport Telecommunications General Means of
Communication

INDUSTRY CLASSIFICATION: CMAP 7200 Communications
CMAP 7100 Transport
CMAP 9411 Radio and Television

TYPE OF RESERVATION: National Treatment (Articles 1102, 1202)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Ley de Vías Generales de Comunicaci n
(General Means of Communication Law)

Ley Federal de Radio y Televisi n,
(Radio and Television Federal Law)

Reglamento del Servicio de Televisi n
por Cable (Cable Television
Regulations)

Reglamento de Telecomunicaciones
(Telecommunications Regulations)

DESCRIPTION: Investment

Foreign Governments and Foreign state
enterprises or their investments may
not invest, directly or indirectly, in
a Mexican enterprise providing
services related to the general means
of communication set out herein.

DURATION: Indeterminate

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ANNEX I

Schedule of Mexico

SECTOR: Construction

SUB-SECTOR:

INDUSTRY CLASSIFICATION: CMAP 501101 Residential or Housing
Construction

CMAP 501102 Non-residential Construction

CMAP 501200 Construction of Urbanization
Projects

CMAP 501311 Construction of Industrial
Plants

CMAP 501312 Construction of Electricity
Generation

	Plants
of	CMAP 501321 Construction and Maintenance Electricity Conduction Lines and Networks
Concrete	CMAP 501411 Mounting or Installing Structures
Metallic	CMAP 501412 Mounting or Installing Structures
	CMAP 501421 Marine and River Works
Land	CMAP 501422 Construction of Routes for Transportation
Installations in	CMAP 502001 Hydraulic and Sanitation Buildings
Buildings	CMAP 502002 Electrical Installations in
Installations	CMAP 502003 Telecommunications
	CMAP 502004 Other Special Installations
	CMAP 503001 Earth Movement
	CMAP 503002 Cement Works
	CMAP 503003 Underground Excavations
	CMAP 503004 Underwater Works
Warnings	CMAP 503005 Installation of Signs and
	CMAP 503006 Demolition
Purification or	CMAP 503007 Construction of Water Treatment Plants
	CMAP 503009 Drilling Water Wells
Elsewhere	CMAP 503010 Construction Activities not Classified

TYPE OF RESERVATION: National Treatment (Article 1102)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Ley para Promover la Inversi n
Mexicana y Regular la Inversi n
Extranjera (Law to Promote Mexican
Investment and to Regulate Foreign

Investment), Cap;tulos II y III

Reglamento de la Ley para Promover la
Inversi;n Mexicana y Regular la
Inversi;n Extranjera (Regulations of
the Law to Promote Mexican Investment
and to Regulate Foreign Investment).

DESCRIPTION: Investment

Prior approval of the Comisi;n
Nacional de Inversiones Extranjeras is
required for investors of another
Party or their investments to own,
directly or indirectly, more than 49
percent of the ownership interests of
an enterprise established or to be
established in Mexico that carry out
construction activities as set out in
the classification mentioned above.

DURATION: Five years after the entry into force
of this Agreement, investors of
another Party and their investments
may own 100 percent of the ownership
interests of such enterprises without
Comisi;n Nacional de Inversiones
Extranjeras' prior approval.

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ANNEX I
Schedule of Mexico

SECTOR: Construction

SUB-SECTOR: Not applicable

INDUSTRY CLASSIFICATION: CMAP 503008 Exploration and drilling
works and services done by specialized
contractors excluding the case when
these same works and services are done
by personnel of PEMEX in the
activities classified under industrial
classification 220000.

TYPE OF RESERVATION: National Treatment (Article 1102)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Constituci;n Pol;tica de los Estados
Unidos Mexicanos (United Mexican
States Political Constitution), T;tulo
I Cap;tulo I.

Ley Reglamentaria del Art;culo 27
Constitucional en el Ramo del Petr;leo
(Regulatory Law of Article 27 of the
United Mexican States Political
Constitution in matters related with

Petroleum)

Ley para Promover la Inversi n
Mexicana y Regular la Inversi n
Extranjera (Law to Promote Mexican
Investment and to Regulate Foreign
Investment) Cap tulo I

Reglamento de la Ley para Promover la
Inversi n Mexicana y Regular la
Inversi n Extranjera (Regulations of
the Law to Promote Mexican Investment
and to Regulate Foreign Investment)

DESCRIPTION: Investment

Risk-sharing services contracts are
prohibited.

Prior approval of the Comisi n
Nacional de Inversiones Extranjeras is
required for investors of another
Party and their investments to own,
directly or indirectly, more than 49
percent of the ownership interests of
an enterprise established or to be
established in Mexico involved in
"non-risk sharing" service contracts
for the drilling of petroleum and gas
wells.

DURATION: Indeterminate

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ANNEX I
Schedule of Mexico

SECTOR: Educational Services

SUB-SECTOR: Private Schools

INDUSTRY CLASSIFICATION: CMAP 921101 Preschool Private
Educational Services

CMAP 921102 Primary School Private
Educational Services

CMAP 921103 Secondary School Private
Educational Services

CMAP 921104 Middle High School Private
Educational Services

CMAP 921105 Higher Private Educational
Services

CMAP 921106 Private Educational
Services that Combine Preschool,
Primary, Secondary, Middle High and

Higher Instruction

TYPE OF RESERVATION: National Treatment (Article 1102)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Ley para Promover la Inversi n
Mexicana y Regular la Inversi n
Extranjera (Law to Promote Mexican
Investment and to Regulate Foreign
Investment)

Reglamento de la Ley para Promover la
Inversi n Mexicana y Regular la
Inversi n Extranjera (Regulations of
the Law to Promote Mexican Investment
and to Regulate Foreign Investment)

Ley Para la Coordinaci n de la
Educaci n Superior (Law for the
Coordination of the Higher Education),
Cap tulo II

Ley Federal de Educaci n (Education
Law), Cap tulo III

DESCRIPTION: Investment

Prior approval of the Comisi n
Nacional de Inversiones Extranjeras is
required for investors of another
Party or their investments to own,
directly or indirectly, more than 49
percent of the ownership interests of
an enterprise established or to be
established in Mexico that operates
educational services as set out in the
classification mentioned above.

DURATION: Indeterminate

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ANNEX I
Schedule of Mexico

SECTOR: Energy

SUB-SECTOR: Commercialization of Petroleum Products

INDUSTRY CLASSIFICATION: CMAP 623050 Retail Sales of Gas of
liquified petroleum gas (LPG),
including the installation of fixed
deposits when the facilities are built
by the same establishment.

TYPE OF RESERVATION: National Treatment (Article 1102)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Ley Reglamentaria del Art;culo 27
Constitucional en el Ramo del Petr;leo
(Regulatory Law of Article 27 of the
United Mexican States Political
Constitution related to Oil).

Ley para Promover la Inversi;n
Mexicana y Regular la Inversi;n
Extranjera (Law to Promote Mexican
Investment and to Regulate Foreign
Investment). Cap;tulo I

Reglamento de la Ley Reglamentaria del
Art;culo 27 Constitucional en el Ramo
de Petr;leo (Reglamentation of the
Regulatory Law of Article 27 of the
United Mexican States Political
Constitution related to Oil)

Reglamento de la Distribuci;n de
Gas.(Regulations of the Distribution
of LPG). Cap;tulos I y II
(Autorizaciones y permisos)

Reglamento de la Ley para Promover la
Inversi;n Mexicana y Regular la
Inversi;n Extranjera (Regulations of
the Law to Promote Mexican Investment
and to Regulate Foreign Investment).

DESCRIPTION: Investment

Only Mexican nationals and Mexican
enterprises with foreigners' exclusion
clause may engage in the distribution
of liquified Petroleum gas.

DURATION: Indeterminate

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ANNEX I
Schedule of Mexico

SECTOR: Energy

SUB-SECTOR: Commercialization of Petroleum Products

INDUSTRY CLASSIFICATION: CMAP 6260000 Retail Outlets of
Gasoline and Diesel. Includes
Lubricants, Oils and Additives for
Resale in these Retail Outlets.

TYPE OF RESERVATION: National Treatment (Article 1102)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Ley Reglamentaria del Art;culo 27

Constitucional en el Ramo del Petr leo
(Regulatory Law of Article 27 of the
United Mexican States Political
Constitution related to Oil)

Reglamento de la Ley Reglamentaria del
Art culo 27 Constitucional en el Ramo
del Petr leo (Reglamentation of the
Regulatory Law of Article 27 of the
United Mexican States Political
Constitution related to Oil).

DESCRIPTION: Only Mexican nationals and Mexican
enterprises with foreigners' exclusion
clause may acquire, establish and
operate retail outlets engaged in the
resale of gasoline, diesel,
lubricants, oils and additives.

DURATION: The description shall govern upon
entry into force of this Agreement

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ANNEX I
Schedule of Mexico

SECTOR: Fishing

SUB-SECTOR: Fishing

INDUSTRY CLASSIFICATION: CMAP 130011 Fishing on the High Seas

CMAP 130012 Coastal Fishing

CMAP 130013 Fresh Water Fishing

CMAP 130014 Fishing in the Economic

Exclusive Zone

TYPE OF RESERVATION: National Treatment (Article 1102)
Most-Favored-Nation Treatment (Article 1103)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Ley de Pesca (Fishing Law) Cap tulo I.

Ley de Navegaci n y Comercio Mar timo
(Navigation and Maritime Commerce
Law), Libro II T tulo Unico Cap tulo V

Ley Federal del Mar (Federal Sea Law)

Ley Federal de Aguas (Federal Law of
Water)

Ley para Promover la Inversi n
Mexicana y Regular la Inversi n
Extranjera (Law to Promote Mexican
Investment and to Regulate Foreign

Investment).

Reglamento de la Ley para Promover la Inversi n Mexicana y Regular la Inversi n Extranjera (Regulations of the Law to Promote Mexican Investment and to Regulate Foreign Investment).

DESCRIPTION: Investment

With respect to enterprises established or to be established in Mexico performing coastal fishing, fresh water fishing and fishing in the exclusive economic zone, investors of another Party and their investments may own, directly or indirectly, up to 49 percent of the ownership interest of such enterprises.

With respect to enterprises established or to be established in Mexico performing fishing on the high seas, prior approval of the Comision Nacional de Inversiones Extranjeras is required for investors of another Party or their investments to own, directly or indirectly, more than 49 percent of the ownership interests of enterprises established or to be established in Mexico performing fishing on the high seas.

DURATION: Indeterminate

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ANNEX I
Schedule of Mexico

SECTOR: Manufacturing and Assembly of Goods

SUB-SECTOR: Auto Parts Industry

INDUSTRY CLASSIFICATION: CMAP 383103 Manufacturing of Parts and Accessories for Electrical Automotive Systems

CMAP 384121 Manufacture and Assembly of Car and Truck Bodies and Tows

CMAP 384122 Manufacture of Car and Trucks Motors and Their Parts

CMAP 384123 Manufacture of Car and Truck Transmission System Parts

CMAP 384124 Manufacture of Car and Truck Suspension System Parts

CMAP 384125 Manufacture of Car and Truck Brake System Parts and

Accessories

CMAF 384126 Manufacture of Other Car
and Truck Parts and Accessories

TYPE OF RESERVATION: National Treatment (Article 1102)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Annex 300-A (Trade and Investment in
the Automotive Industry Sector) of
this Agreement.

Ley Para Promover la Inversi n
Mexicana y Regular la Inversi n
Extranjera (Law to Promote Mexican
Investment and to Regulate Foreign
Investment).

Reglamento de la Ley Para Promover la
Inversi n Mexicana y Regular la
Inversi n Extranjera (Regulations of
the Law to Promote Mexican Investment
and to Regulate Foreign Investment).

Decreto para el fomento y
modernizaci n de la Industria
Automotriz (Decree for the Development
and Modernization of the Automotive
Industry) ("Auto Decree").

Decreto que Determina Reglas para la
Aplicaci n del Decreto para el Fomento
y Modernizaci n de la Industria
Automotriz (Resolution that
Establishes Rules for the
Implementation of the Auto Decree)
("Auto Decree Implementing
Regulations").

DESCRIPTION: Investors of another Party and their
investments may own, directly or
indirectly, up to 49 percent of the
ownership interests of an enterprise
established or to be established in
Mexico and engaged in the auto parts
industry.

Investors of another Party and their
investments that qualify as "national
suppliers" may own 100% of an
enterprise established or to be
established in Mexico engaged in the
manufactured of specified auto parts.

To qualify as "national supplier", the
enterprise must:

(a) obtain a national value added
calculated as set out in the
"Auto Decree Implementing
Regulations" of at least 20%;
and

(b) not be controlled or related,
directly or indirectly, to a
manufacturer of motor vehicles.

DURATION: Annex 300-A (Trade and Investment in
the Automotive Sectors) of Chapter
Three (National Treatment and Market
Access) shall govern.

Commencing on the sixth year after the
entry into force of this Agreement,
investors of another Party and their
investments may own 100 percent of the
ownership interests of an enterprise
established or to be established in
Mexico engaged in auto parts industry.

(See also page I-M-39 of this Schedule
- performance requirements)

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ANNEX I
Schedule of Mexico

SECTOR: Manufacture of Goods

SUB-SECTOR: Automotive Industry

INDUSTRY CLASSIFICATION: CMAP 383103 Manufacturing of Parts and
Accessories for Electrical Automotive
Systems

CMAP 3841 Automotive Industry.

CMAP 384121 Manufacture and Assembly
of Car and Truck Bodies and Tows

CMAP 384122 Manufacture of Car and
Trucks Motors and Their Parts

CMAP 384123 Manufacture of Car and
Truck Transmission System Parts

CMAP 384124 Manufacture of Car and
Truck Suspension System Parts

CMAP 384125 Manufacture of Car and
Truck Brake System Parts and
Accessories

CMAP 384126 Manufacture of Other Car
and Truck Parts and Accessories

TYPE OF RESERVATION: Performance Requirements (Article 1106)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Annex 300-A (Trade and Investment in the Automotive Sector) of Chapter Three (Market Access) of this Agreement

Decreto para el fomento y modernizaci3n de la Industria Automotriz (Decree for the Development and Modernization of the Automotive Industry) ("Auto Decree")

Decreto que Determina Reglas para la Aplicaci3n del Decreto para el Fomento y Modernizaci3n de la Industria Automotriz (Resolution that Establishes Rules for the Implementation of the Auto Decree) ("Auto Decree Implementing Regulations")

DESCRIPTION: Investment

Annex 300-A (Trade and Investment in the Automotive Sector) of Chapter Three (Market Access) shall govern. A summary of performance requirements in the automotive industry follows:

- (a) National value added shall constitute at least 20% of the total value of sales of an enterprise of the autoparts industry or of a "National Supplier". In calculating the national value added, custom duties shall be included in the value of imports.
- (b) A manufacturer of motor vehicles must attain specified levels of national value added from suppliers of Mexican parts (enterprises of the autoparts industry and national suppliers) and must comply with specified trade balance requirements in order to receive permits for the importation of new motor vehicles.
- (c) Manufacturers of autotransportation vehicles may only import the types of autotransportation vehicles it produces in Mexico and in a quantity not exceed 50% of the number of such vehicles it produces in Mexico in a year.

DURATION: Annex 300-A (Trade and Investment in the Automotive Sector) of Chapter Three (Market Access) shall govern

upon entry into force of this Agreement

Commencing on the sixth year after entry into force of this Agreement Mexico will eliminate restrictions on the number of an autotransportation vehicles that a manufacture autotransportation vehicles may import.

Commencing on the eleventh year after the entry into force of this Agreement, Mexico will eliminate all performance requirements in the Auto Decree and the "Auto Decree Implementing Regulations".

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ANNEX I
Schedule of Mexico

SECTOR: Manufacture of Goods

SUB-SECTOR: Maquiladora Industry

INDUSTRY CLASSIFICATION: Not applicable

TYPE OF RESERVATION: Performance Requirements (Article 1106)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Ley Aduanera (Customs Law)

Decreto para el Fomento y Operaci3n de la Industria Maquiladora de Exportaci3n (Decree for the Promotion and Operation of Maquiladora Industry for Export)

DESCRIPTION: Investment

Persons authorized by the Secretar;a de Comercio y Fomento Industrial to operate under the "Maquiladora Decree" may not sell to the domestic market more than 50% of the total value of its exports.

DURATION: Domestic market may not exceed:

(a) during the first year of entry into force of this Agreement, 55% of the total value of its exports;

(b) during the second year after the

date of entry into force of this Agreement, 60% of the total value of its exports;

(c) during the third year after the date of entry into force of this Agreement, 65% of the total value of its exports;

(d) during the fourth year after the date of entry into force of this Agreement, 70% of the total value of its exports;

(e) during the fifth year after the date of entry into force of this Agreement, 75% of the total value of its exports;

(f) during the sixth year after the date of entry into force of this Agreement, 80% of the total value of its exports;

(g) during the seventh year after the date of entry into force of this Agreement, 85% of the total value of its exports;

(h) from the eighth year after the date of entry into force of this Agreement and thereafter, persons may not be subject to this requirement.

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ANNEX I

Schedule of Mexico

SECTOR: Manufacture of Goods

SUB-SECTOR: Not applicable

INDUSTRY CLASSIFICATION: Not applicable

TYPE OF RESERVATION: Performance Requirements (Article 1106)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Ley Reglamentaria del Art;culo 131 de la Constituci;n Pol;tica de los Estados Unidos Mexicanos en Materia de Comercio Exterior (Mexican Foreign Trade Act)

Decreto para el Fomento y Operaci;n de las Empresas Altamente Exportadoras" (Decree for the Promotion and Operation of High-Export Firms)

DESCRIPTION: Investment

1. "Direct exporters" authorized by the Secretaría de Comercio y Fomento Industrial to operate under the "ALTEX Decree" must export at least 40% of their total sales or \$2,000,000. U.S. dollars.

2. "Indirect exporters" authorized by the Secretaría de Comercio y Fomento Industrial to operate under the "ALTEX Decree" must export at least 50% of their total sales.

DURATION: Seven years after the entry into force of this Agreement, direct and indirect exporters will not be subject to the above mentioned percentage.

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ANNEX I

Schedule of Mexico

SECTOR: Manufacture of Goods

SUB-SECTOR: Not applicable

INDUSTRY CLASSIFICATION: Not applicable

TYPE OF RESERVATION: Performance Requirements (Article 1106)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Ley Reglamentaria del Artículo 131 de la Constitución Política de los Estados Unidos Mexicanos en Materia de Comercio Exterior (Mexican Foreign Trade Act).

Ley Aduanera (Customs Law).

Programa de Importación Temporal para Producir Artículos de Exportación (Temporal Import Program to Produce Export Goods).

DESCRIPTION: Investment

Persons authorized by Secretaría de Comercio y Fomento Industrial to operate under the "PITEX Decree" are required to:

(a) export at least 30% of their total production for the temporary entry of machinery, equipment, instruments, molds and

durable tools used in the manufacturing process; equipment used to handle materials directly related to exported such goods; and research, industrial security, quality control, communication, training personnel, computer and environmental devices, equipment and accessories or others related with the process of the goods exported.

(b) export at least 10% of their total production or \$500,000 U.S.dollars for the temporary import of raw materials, parts and components totally used as inputs on the export merchandise, packages, bottles, containers and trailer's containers which are fully used to contain export merchandise; fuel, lubricants, auxiliary materials, reparation of tools and equipment consumed in the export process.

DURATION: As from the eighth year after the date of entry into force of this Agreement such persons will not be subject to the above mentioned percentages.

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ANNEX I

Schedule of Mexico

SECTOR: Manufacturing Industry

SUB-SECTOR: Artificial explosives, fireworks, firearms and cartridges

INDUSTRY CLASSIFICATION: CMAP 352236 Manufacturing of Artificial Explosives and Fireworks

CMAP 382208 Manufacturing of Firearms and Cartridges

TYPE OF RESERVATION: National Treatment (Article 1102) Senior Management

(Article 1107)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Ley Federal de Armas de Fuego y Explosivos (Federal Law of Firearms and Explosives) Tıtulo III Capıtulo I

Ley para Promover la Inversiön Mexicana y Regular la Inversiön

Extranjera (Law to Promote Mexican Investment and to Regulate Foreign Investment)

Reglamento de la Ley Federal de Armas de Fuego y Explosivos (Regulations of the Federal Law of Firearms and Explosives) Capitulo IV

Reglamento de la Ley para Promover la Inversi n Mexicana y Regular la Inversi n Extranjera (Regulations of the Law to Promote Mexican Investment and to Regulate Foreign Investment)

DESCRIPTION: Investment

Investors of another Party and their investments may own, directly or indirectly, up to 49 percent of the ownership interest of an enterprise established or to be established in Mexico that manufacture artificial explosives and fireworks, and ammunition as set out in the classification mentioned above.

Foreigners cannot appoint directors nor become members of the board of directors of such enterprises.

DURATION: Indeterminate

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ANNEX I
Schedule of Mexico

SECTOR: Mining

SUB-SECTOR: Extraction and Exploitation of Minerals

INDUSTRY CLASSIFICATION: CMAP 210000 Exploitation of Mineral Carbon

CMAP 231000 Extraction of Minerals
Containing Iron

CMAP 232001 Extraction of Minerals
Containing Gold, Silver and Other
Precious Minerals and Metals

CMAP 232002 Extraction of Mercury and
Antimony

CMAP 232003 Extraction of Industrial
Minerals Containing Lead and Zinc

CMAP 232004 Extraction of Minerals
Containing Copper

CMAF 232006 Extraction of Other
Metallic Minerals Not Containing Iron

CMAF 291001 Extraction of Sand and
Gravel

CMAF 291002 Extraction of Marble and
other Gravels for construction

CMAF 291003 Exploitation of Feldspar

CMAF 291004 Extraction of Kaolin, Clay
and Refractory Minerals

CMAF 291005 Extraction of Limestones

CMAF 291006 Exploitation of Gypsum

CMAF 292001 Extraction of Barium Oxide

CMAF 292002 Extraction of Phosphoric
Rock

CMAF 292003 Extraction of Fluorite

CMAF 292004 Extraction of Sulphur

CMAF 292005 Extraction of Other
Minerals in Order to Obtain Chemicals

CMAF 292006 Extraction of Salt

CMAF 292007 Extraction of Graphite

CMAF 292008 Extraction of other Non
Metallic Minerals

TYPE OF RESERVATION: National Treatment (Article 1102)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Ley Minera (Mining Law)

Ley Para Promover la Inversi3n
Mexicana y Regular la Inversi3n
Extranjera (Law to Promote Mexican
Investment and to Regulate Foreign
Investment)

Reglamento de la Ley Minera (Mining
Law Regulations)

Reglamento de la Ley Para Promover la
Inversi3n Mexicana y Regular la
Inversi3n Extranjera (Regulations of
the Law to Promote Mexican Investment
and to Regulate Foreign Investment)

DESCRIPTION: Investment

Prior approval of the Comisi3n
Nacional de Inversiones Extranjeras is
required for investors of another

Party or their investments to own,
directly or indirectly, more than 49
percent of the ownership interests of
an enterprise established or to be
established in Mexico engaged in the
extraction or exploitation of all kind
of minerals.