Annex II

SCHEDULE OF HONDURAS

EXPLANATORY NOTE

- 1. The Schedule of Honduras of this Annex sets out, pursuant to Articles 9.13 (Non-Conforming Measures) and 10.6 (Non-Conforming Measures), the specific sectors, sub-sectors, or activities for which Honduras may maintain existing, or adopt new or more restrictive, measures that do not conform with obligations imposed by:
 - (a) Article 9.3 (National Treatment) or 10.2 (National Treatment);
 - (b) Article 9.4 (Most-Favored-Nation Treatment) or 10.3 (Most-Favored-Nation Treatment);
 - (c) Article 10.4 (Market Access);
 - (d) Article 10.5 (Local Presence);
 - (e) Article 9.9 (Performance Requirements); or
 - (f) Article 9.10 (Senior Management and Boards of Directors).
- 2. Each Schedule entry sets out the following elements:
 - (a) **Sector** refers to the sector for which the entry is made;
 - (b) **Obligation Concerned**, specifies the obligation(s) referred to in paragraph 1 that, pursuant to Articles 9.13.2 (Non-Conforming Measures) and 10.6.2 (Non-Conforming Measures), shall not apply to sectors, subsectors, or activities set out in the Schedule;
 - (c) **Description** sets out the scope of the sectors, subsectors, or activities covered by the entry; and
 - (d) **Existing Measures** identifies, for transparency purposes, existing measures that apply to the sectors, subsectors, or activities covered by the entry.
- 3. In accordance with Articles 9.13.2 (Non-Conforming Measures) and 10.6.2 (Non-Conforming Measures), the Articles of this Agreement specified in the **Obligations Concerned** element of an entry shall not apply to the sectors, subsectors, and activities identified in the **Description** element of that entry.

1. Sector:	Communications Services
Subsector:	Telecommunications
Obligations	National Treatment (Article 9.3)
Concerned:	Market Access (Article 10.4)
Level of	Central
Government:	
Description:	Investment and Cross-Border Trade in Services:
	Honduras reserves the right to adopt, maintain or modify the level of ownership in the national telecommunications company, <i>Empresa Hondureña de Telecomunicaciones</i> (Honduran Telecommunications Company) (HONDUTEL), as well as its affiliates or subsidiaries.
Measures:	

2. Sector:	Social Services
Subsector:	
Obligations Concerned:	National Treatment (Articles 9.3 and 10.2) Most-Favored-Nation Treatment (Articles 9.4 and 10.3) Performance Requirements (Article 9.9) Senior Management and Boards of Directors (Article 9.10) Market Access (Article 10.4) Local Presence (Article 10.5)
Level of Government:	Central
Description:	Investment and Cross-Border Trade in Services: Honduras reserves the right to adopt or maintain any measure concerning the application and enforcement of laws and the provision of social rehabilitation services, as well as the following services to the extent that they are social services established or maintained for reasons of public interest: pensions, unemployment insurance, social security services, pension fund services, social welfare services, public education, public training, health and child care.
Measures:	

3. Sector:	Minority Affairs
Subsector:	
Obligations	National Treatment (Articles 9.3 and 10.2)
Concerned:	Performance Requirements (Article 9.9)
	Senior Management and Boards of Directors (Article 9.10)
	Market Access (Article 10.4)
	Local Presence (Article 10.5)
Level of	Central
Government:	
Description:	Investment and Cross-Border Trade in Services:
	Honduras reserves the right to adopt or maintain any measure conferring a right or preference on socially and economically disadvantaged minorities.
Measures:	

4. Sector:	Distribution Services
Subsector:	Petroleum Products
Obligations	National Treatment (Articles 9.3 and 10.2)
Concerned:	Most-Favored-Nation Treatment (Articles 9.4 and 10.3)
	Performance Requirements (Article 9.9)
	Senior Management and Boards of Directors (Article 9.10)
	Market Access (Article 10.4)
	Local Presence (Article 10.5)
Level of Government:	Central
Description:	Investment and Cross-Border Trade in Services:
	Honduras reserves the right to adopt or maintain any measure concerning the importation and wholesale distribution of crude, reconstituted, refined or bunker petroleum products and all their derivatives.
Measures:	

5. Sector:	All sectors
Subsector:	
Obligations Concerned:	Most-Favored-Nation Treatment (Articles 9.4 and 10.3)
Level of	Central
Government: Description:	Investment and Cross-Border Trade in Services:
	Honduras reserves, with regard to Korea the right to adopt or maintain any measure granting a country different treatment on the basis of any bilateral or multilateral international treaty in force or signed before this Agreement takes effect. Honduras reserves the right to adopt or maintain any measure granting a country different treatment on the basis of any international treaty in force or signed after this Agreement takes effect with respect to: (a) aviation; (b) fishing; (c) maritime affairs, including salvage, or (d) railroad transportation.
Measures:	

6. Sector:	Governmental Services
Subsector:	
Obligations Concerned:	National Treatment (Articles 9.3 and 10.2) Most-Favored-Nation Treatment (Articles 9.4 and 10.3) Performance Requirements (Article 9.9) Senior Management and Boards of Directors (Article 9.10) Market Access (Article 10.4) Local Presence (Article 10.5)
Level of Government:	Central
Description:	Investment and Cross-Border Trade in Services: Honduras reserves the right to adopt or maintain any measure with respect to the cross-border trade in services supplied in the exercise of governmental authority.
Measures:	

7. Sector:	Transport Services
Subsector:	Land Transport Services, Passengers, Cargo and Related Auxiliary Services
Obligations	National Treatment (Articles 9.3 and 10.2)
Concerned:	Most-Favored-Nation Treatment (Articles 9.4 and 10.3)
	Performance Requirements (Article 9.9)
	Senior Management and Boards of Directors (Article 9.10)
	Market Access (Article 10.4)
	Local Presence (Article 10.5)
Level of	Central
Government:	
Description:	Investment and Cross-Border Trade in Services:
	Honduras reserves the right to adopt or maintain any measure related to service providing and the establishment of investment on the land transport sector, passenger or cargo and related auxiliary services.
Measures:	

8. Sector:	Professional Services
Subsector:	All Sectors
Obligations Concerned:	National Treatment (Articles 9.3 and 10.2) Most-Favored-Nation Treatment (Articles 9.4 and 10.3) Performance Requirements (Article 9.9) Senior Management and Boards of Directors (Article 9.10) Market Access (Article 10.4) Local Presence (Article 10.5)
Level of Government:	Central
Description:	Investment and Cross-Border Trade in Services: Honduras reserves the right to adopt or maintain any measure with respect to service and the establishment of investment in the professional services sector.
Measures:	

9. Sector:	Fisheries
Subsector:	
Obligations Concerned:	National Treatment (Articles 9.3 and 10.2) Most-Favored-Nation Treatment (Articles 9.4 and 10.3) Performance Requirements (Article 9.9) Senior Management and Boards of Directors (Article 9.10) Market Access (Article 10.4) Local Presence (Article 10.5)
Level of Government:	Central
Description:	Investment and Cross-Border Trade in Services: Honduras reserves the right to adopt or maintain any measure with respect to the service and the establishment of investment in the fisheries sector and fishing activities in the territorial waters of Honduras and the Exclusive Economic Zone.
Measures:	

10. Sector:	Gambling and Betting Services
Subsector:	
Obligations	National Treatment (Articles 9.3 and 10.2)
Concerned:	Most-Favored-Nation Treatment (Articles 9.4 and 10.3)
	Performance Requirements (Article 9.9)
	Senior Management and Boards of Directors (Article 9.10)
	Market Access (Article 10.4)
	Local Presence (Article 10.5)
Level of	Central
Government:	
Description:	Investment and Cross-Border Trade in Services:
	Honduras reserves the right to adopt or maintain any measure with respect to gambling and betting services.
	For greater certainty, "gambling and betting" includes such services supplied through electronic transmission.
Measures:	

11. Sector:	Audio-visual Services
Subsector:	
Obligations	National Treatment (Articles 9.3 and 10.2)
Concerned:	Most-Favored-Nation Treatment (Articles 9.4 and 10.3) Performance Requirements (Article 9.9) Senior Management and Boards of Directors (Article 9.10) Market Access (Article 10.4) Local Presence (Article 10.5)
Level of Government:	Central
Description:	Investment and Cross-Border Trade in Services: Honduras reserves the right to adopt or maintain any measure in the Audiovisual Services sector, related to, animations, video-games, motion pictures and video tape.
Measures:	