

**ANNEX ON [MX/CL/MU/TR propose, CH/NZ considering: INTERNATIONAL]
ROAD FREIGHT TRANSPORT AND RELATED LOGISTICS SERVICES**

EU does not see a clear value in this Annex given the nature of road transport.

Article 2: Scope and Coverage

2.1 [CH/CL/LI/PK/TR/MU/MX/PA propose, US/NZ/HK/JP/CA/TW/PE considering: This Annex applied to measures by Parties affecting trade in international road freight transport services [TR propose: and related supporting and auxiliary services.]

[TR/CH/MU/US/PA propose, AU/HK/MX/PE/CA/CL/PK/LI/JP/TW/NZ considering: 2.2 This Annex does not apply to services to the extent that such services fall within the scope of a Party's [TR propose: and in the case of the European Union a Member State's] cabotage regime.

2.3[MU/TR propose, CA/JP/PK/US/CH/PA considering: Where applicable and subject to the disciplines of Article V of the GATT 1994 [MU considering: and the WTO Trade Facilitation Agreement], this Annex also covers transit traffic.]

Parties to reflect on whether we should refer to TFA. (MU expressed its concerns about TFA being a conditional agreement which is not entered into force yet. TR expressed its flexibility to remove the reference to TFA.)

**[TR/MU propose: CL/MX/PK/US/CH/CA/NZ/PE/TW considering: Article 3:
Definitions**

For the purposed of this Annex;

3.1 *Vehicle* means a commercial motor vehicle or a coupled combination of vehicles registered in a Party, used exclusively for the carriage of good;

3.2 *International Road Freight Transport Services* means:

(a) a laden journey undertaken by a vehicle, the point of departure and the point of arrival of which are in two different Parties, with or without transit through one or more Parties, or third countries;

(b) a laden journey undertaken by a vehicle from a Party to a third country or vice versa, with transit through one or more Parties;

(c) an unladen journey in conjunction with the carriage referred to in points (a) and (b)

3.4 *Service Supplier* means any person that supplies road freight transport services as defined in CPC 7123

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3.6 *Transit* means transport of goods across the territory of a Party when the passage across such territory is only a portion of a complete journey beginning and terminating beyond the frontier of the Party across whose territory the traffic passes.¹

[PK/US/CH propose, LI/HK/JP considering 3.7: Road freight transport services means services classified under CPC 7123]

Linked to satisfactory outcome on the exclusion of cabotage in Article 2.2

[PE/PK/US/CH propose, MU/LI/HK/JP considering: Alt.3.8 Related supporting and auxiliary services means services classified under [MU oppose: CPC 741], 742 and 749 which are supplied in support of international road freight transport]]

Parties to reflect on whether adding “cargo-handling services” in the scope of the Annex is indispensable. TR expressed its flexibility to remove this subsector from the scope.

Article 5: Domestic Regulation

Article 5.1

[TR propose, AU/CA/CL/JP/MX/MU/PE/PK/US/NZ/CH/CO/HK considering: Notwithstanding paragraph 1 of the Annex on Domestic Regulation, the provisions of that Annex shall apply to measures affecting trade in services covered by this Annex.]

Article 5.2

[TR propose; AU/CA/US/PA/MU/CL/MX considering: No Party may adopt or maintain and discriminatory measure that:

- a) requires combined transport² [where relevant road transport infrastructure is available], or;
- b) prevents a service supplier from selecting among commercially available combined transport operators.]

One Party raised concerns about the scope of the Annex and subparagraph (b) of this Article. TR to work bilaterally with concerned Parties to find a solution.

Article 5.3

[TR/CH/MU/US propose, AU/CA/PA/MX/PK/HK/CL/PE/JP considering: 5.3 Each Party shall permit cross-border movement and transit of transport equipment such as containers necessary for the supply of services covered by this Annex, on reasonable and non-discriminatory terms and conditions. Nothing in this paragraph shall be construed to prevent a Party from applying customs duties and administrative procedures to such equipment.]

Article 5.4

¹ For the purpose of this Article Party means a Member State in the case of the European Union.

² Combined transport means transport of goods where the loading unit or the vehicle is transported by rail or inland waterway for a part of the journey.

[TR/MU propose, AU/CA/US/CH/PA/HK/MX/CL considering: 5.4 A Party shall not adopt or maintain a measure requiring a service supplier of another Party to follow a specific route that does not apply to its own like service suppliers.]

Article 5.7

[TR propose, AU/CA/US/CH/PA/CO/MU/MX/CL considering: With a view to preventing avoidable loss or deterioration of perishable goods³ each Party shall give appropriate priority to service suppliers and their vehicles carrying perishable goods when scheduling any examinations that may be required **[CH/TR propose: for crossing borders]**

Article 5.8

[CH/TR/MU/US/CL propose; CA/JP considering: If the competent authorities of a Party require the deposit of a financial guarantee as a condition to supply a service covered by this Annex in its territory, they shall set such guarantee at a reasonable level, having regard to the risk involved, and shall release the guarantee in a timely manner. This paragraph does not apply to requirements related to the presence of natural persons]

Article 6: Access to and use of the public infrastructure

[TR propose, AU/CA/CH/JP/MX/PE/US/PA considering; 6: A Party shall not adopt or maintain any measure that would deny service suppliers of another Party access to and use of relevant transportation infrastructure⁴ on reasonable and non-discriminatory terms and conditions.]

[AU considering: Article 7: Transparency

[TR/US/CA propose, CH/MU/PK,PE,MX,HK/CL/CO considering; JP oppose: Further to [Transparency paragraph 1] Each Party shall make publicly available on internet relevant information on conditions for the supply of their services covered by this Annex, including, where applicable:

One Party raised concerns about the phrase being too broad. TR to work with concerned Parties to find a solution.

- a) weight and dimensions for vehicles
- b) customary fees
- c) customs laws and procedures]

Article 9: Exceptions

[CH/HK/MX/MU/PK/TR propose, CL/CA considering: Subject to the requirement that such measures are not applied in a manner which would constitute a means of arbitrary or unjustifiable discrimination between countries where like conditions prevail, or a disguised

³ For the purposes of this provision, perishable goods are goods that rapidly decay due to their natural characteristics, in particular in the absence of appropriate storage conditions.

⁴ For purposes of this Article relevant transportation infrastructure means any infrastructure, including roadside facilities, necessary for the supply of covered services that is made generally available to the service suppliers.

restriction on trade in services, nothing in this Annex shall be construed to prevent the adoption or enforcement by any Party of measures:

(a) necessary [**MU oppose:** to protect the integrity] and proper operation of its transportation infrastructure (b) necessary to secure compliance with its road safety standards.]

Some Parties raised serious concerns on having a specific exceptions article for this Annex. TR and MU expressed flexibility on removing this Article. Other Parties (CH/MX/HK/PK/CL and CA) to reflect on whether they have flexibility for removing this Article especially considering the level of obligations in the Annex.