

APPENDIX 3 TO ANNEX VII

ICELAND - SCHEDULE OF SPECIFIC COMMITMENTS

| Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons | | | |
|---|---|---|------------------------|
| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
| I HORIZONTAL COMMITMENTS | | | |
| ALL SECTORS INCLUDED IN THIS SCHEDULE | | | |
| | <p>3) All foreign investment and currency transfers must be reported to the Central Bank of Iceland</p> <p>Investment by non-residents in the manufacturing industry, other than power-intensive industry, trade services, communications and fish farming may not exceed 25% of the total investment of the relevant sector without special permission. Total investment by a non-resident or the joint investment of financially related non-residents in enterprises in the above-mentioned sectors may not exceed 250 mill. ISK within a year unless a special concession is given.</p> <p>All foreign investment of a Foreign State or companies/organisations owned by a Foreign State requires a special concession of</p> | <p>3) Treatment accorded to subsidiaries of third-country companies formed in accordance with the law of an EEA Member State and having their registered office, central administration or principal place of business within an EEA Member State may not be 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 a third-country company formed in accordance with the law of an EEA Member State 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> <p>Managers and the majority of the</p> | |

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|---|---|---|------------------------|
| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
| | <p>the Ministry of Commerce</p> <p>Non-residents cannot conclude an agreement on real-estate lease without the permission of the Ministry of Justice if the lease is for a period exceeding three years and not for use in conducting its normal business activities</p> <p>Non-residents may only acquire real estate in conjunction to their business activities and can only obtain ordinary proprietary rights linked to the real estate</p> <p>Non-residents are thus excluded from obtaining full property rights of real estate if unusual rights are linked to it, such as exploitation rights as regards waterfalls, geothermal energy, etc</p> <p>Contracts concerning ownership and long-term use of real-estate by non-residents are not valid until the Ministry of Justice has endorsed it in writing</p> <p>Non-residents, natural as well as legal persons, involved in trade in goods or rental of videos, need a trade permit but such regulated trade licences are required for both Icelandic and non-resident providers of service</p> | <p>members of the board of directors in all domestic enterprises must be domiciled in Iceland unless exempted from this requirement by the Ministry of Commerce</p> <p>At least one of the auditors of an Icelandic limited liability company must be a resident in Iceland or a competent resident CPA company</p> | |

| Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons | | | |
|---|--|---|------------------------|
| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
| | <p>All provision of services by natural persons, as self-employed or taking part in a business enterprise with unlimited liability, needs a concession, by the Ministry of Commerce, if the persons involved are non-residents</p> | | |
| | <p><u>Movement of Personnel</u></p> <p>Temporary entry of service providers</p> <p>4) Unbound except the temporary entry of the following service providers as intra-corporate transferees, which Iceland shall permit without requiring compliance with labour market tests:</p> <p>Executives - persons who primarily direct the management of the organisation covered by the agreement and establish its goals and generally have a wide decision-making authority. Executives would not necessarily perform tasks related to the actual provision of the service.</p> <p>Managers - persons who direct the organisation covered by the agreement or its department and are in a senior level responsible of the service</p> | <p><u>Movement of Personnel</u></p> <p>Temporary entry of service providers</p> <p>4) None for the categories offered under market access</p> | |

| Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons | | | |
|---|--|---|------------------------|
| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
| | <p>providing functions of the organisation by supervising and controlling and having also authority to hire and fire personnel or recommend such and other personnel actions.</p> <p>Specialists - persons within the organisation who possess knowledge at an advanced level of expertise or otherwise essential or proprietary to the organisation's service, research equipment, techniques or management.</p> <p>Service sellers - persons who as representatives of a service provider covered by the agreement are seeking temporary entry for purposes of negotiation for the sale of services or entering into agreements to sell services for that service provider, where this selling activity is not directed to the general public.</p> | | |
| | <p><u>Subsidies*</u></p> <p>3) None</p> <p>4) None</p> | <p><u>Subsidies</u></p> <p>3) Eligibility for subsidies may be limited to juridical persons established within the territory of Iceland. Subsidies related to research and development are unbound.</p> | |

* The definition of subsidies remains to be determined in the context of negotiations under Article XV of GA TS.

| Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons | | | |
|---|------------------------------|---|------------------------|
| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
| | | 4) Subsidies available only to natural persons may be limited to Icelandic citizens | |

| Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons | | | |
|---|--|--|------------------------|
| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
| II. SECTOR-SPECIFIC COMMITMENTS | | | |
| 1. BUSINESS SERVICES | | | |
| A. <u>Professional Services</u> | 1) None | 2) None | |
| a) Legal Services (CPC 861) Legal advice activities on home country law | 2) None 3) None 4) Unbound except as indicated in the horizontal section. Members of the General Bar Association of Iceland have an exclusive right to represent clients before all the major courts in Iceland. | 1), 3), 4) Icelandic law exam or an equivalent thereto, conditions of nationality, or previous residency of at least one year when practising legal services as a member of the General Bar Association of Iceland | |
| Legal advice on international law and foreign legal consultancy | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) None 2) None 3) None 4) None | |
| b) Accounting, auditing and book-keeping services (CPC 862) | 1) None 2) None | 1) None 2) None | |

| Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons | | | |
|---|---|--|------------------------|
| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
| | 3) None 4) Unbound except as indicated in the horizontal section. Requirement of residence. Icelandic exam for certified accountants required subject to exemption by the Minister of Finance. | 3) None 4) None | |
| c) Taxation services (CPC 863) | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) None 2) None 3) None 4) None | |
| d) Architectural services (CPC 8671) | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) None 2) None 3) None 4) None | |
| e) Engineering services (CPC 8672) | 1) None 2) None | 1) None 2) None | |

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|---|--|---|------------------------|
| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
| | 3) None 4) Unbound except as indicated in the horizontal section | 3) None 4) None | |
| f) Integrated Engineering services (CPC 8673) | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) None 2) None 3) None 4) None | |
| g) Urban planning and landscape architectural services (CPC 8674) | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) None 2) None 3) None 4) None | |
| i) Veterinary services | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section. Number of veterinarians | 1) None 2) None 3) Ability in the Icelandic language required 4) Ability in the Icelandic language | |

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|---|---|--|------------------------|
| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
| | in rural districts is limited. | required | |
| k) Other | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) None 2) None 3) None 4) None | |
| B. <u>Computer and Related Services</u> | | | |
| a) Consultancy services related to the installation of computer hardware (CPC 841) | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) None 2) None 3) None 4) None | |
| b) Software development (including software implementation) (CPC 842) | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) None 2) None 3) None 4) None | |

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|---|---|--|------------------------|
| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
| c) Data processing services (CPC 843) | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) Concession needed if personal-data is to be processed outside Icelandic jurisdiction 2) None 3) None 4) None | |
| d) Data base services (CPC 844) | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) Concession needed if personal-data is to be processed outside Icelandic jurisdiction 2) None 3) None 4) None | |
| e) Other | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) Concession needed if personal-data is to be processed outside Icelandic jurisdiction 2) None 3) None 4) None | |
| <u>C. Research and Development Services</u> | | | |
| a) R&D services on Natural | 1) None | 1), 2) A license is needed for the importation | |

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|---|---|---|------------------------|
| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
| Sciences (CPC 851) | 2) None 3) None 4) Unbound except as indicated in the horizontal section | of research equipment. Natural history specimens must not be exported from the country unless permitted by the Icelandic Museum of Natural History. 3), 4) No foreigners are permitted to undertake scientific research work in the field of natural sciences without having first obtained a research permit issued by the Icelandic Council of Science | |
| b) R&D services on social sciences and humanities | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1),2) Archaeological finds must not be exported from the country unless permitted by the National Archaeological Council ("Þjóðminjaráð") 3),4) All archaeological research whether by Icelandic or foreign researchers is subject to a permit granted by the Icelandic Archaeological Committee ("fornleifanefnd") | |
| c) Interdisciplinary R&D services (CPC 853) | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) None 2) None 3) None 4) None | |

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|---|--|--|------------------------|
| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
| D. <u>Real Estate Services</u> | | | |
| a) Real estate services involving own or leased property (CPC 821) | 1) None 2) None 3),4) Deposits or liability insurance to cover loss caused to clients. All licenses to provide services on sales of real-estate are personal authorisations. 4) Unbound except as indicated in the horizontal section | 1) None 2) None 3),4) Condition of one year previous residency in order to obtain licence to provide services in residential building and land sales, and other related intermediary services for purchase and sale of real-estate | |
| b) On a Fee or Contract basis (CPC 822) | 1) None 2) None 3),4) Deposits or liability insurance to cover loss caused to clients. All licences to provide services on sales of real-estate are personal authorisation. 4) Unbound except as indicated in the horizontal section | 1) None 2) None 3),4) Condition of one year previous residency in order to obtain licence to provide services in residential building and land sales, and other related intermediary services for purchase and sale of real-estate | |
| E. <u>Rental/Leasing Services without Operators</u> | 1) None 2) None 3) Leasing services must be provided either | 1) None 2) None 3) Majority of the board of a leasing | |

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|---|--|---|------------------------|
| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
| | <p>by corporation with a limited liability (leasing companies) or registered commercial banks or savings banks</p> <p>4) Unbound except as indicated in the horizontal section</p> | <p>company shall be resident in Iceland. The manager shall be resident in Iceland and a citizen of a Nordic Country.</p> <p>4) None</p> | |
| a) Relating to ships (CPC 83103) | <p>1) None</p> <p>2) None</p> <p>3) To be registered in the ship register the ship must be owned by Icelandic natural or juridical persons who are resident in Iceland. Further nationality restrictions on fishing vessels.</p> <p>4) Unbound except as indicated in the horizontal section</p> | <p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) None</p> | |
| b) Relating to aircraft (CPC 83104) | <p>1) None</p> <p>2) None</p> <p>3) To be registered in the aircraft register the aircraft must be owned by Icelandic natural or juridical persons resident in Iceland</p> <p>4) Unbound except as indicated in the horizontal section</p> | <p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) None</p> | |

| Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons | | | |
|---|---|--|------------------------|
| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
| c) Relating to other transport equipment (CPC 83101 + 83102 + 83105) | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) None 2) None 3) Residency requirement for car rental services 4) Residency requirement for car rental services | |
| d) Relating to other machinery and equipment (CPC 83106 – 83109) | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) None 2) None 3) None 4) None | |
| e) Other (CPC 832) | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) None 2) None 3) None 4) None | |
| F. <u>Other Business Services</u> | 1) None | 1) None | |
| a) Advertising services | 2) None | 2) None | |

| Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons | | | |
|---|---|--|------------------------|
| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
| (CPC 871) | 3) None 4) Unbound except as indicated in the horizontal section | 3) None 4) None | |
| b) Market research and public opinion polling services (CPC 864) | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) Concession needed if personal data is to be processed outside Icelandic jurisdiction 2) None 3) None 4) None | |
| c) Management consulting services (CPC 865) | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) None 2) None 3) None 4) None | |
| d) Services related to management consulting (CPC 866) | 1) None 2) None 3) None 4) Unbound except as indicated in the | 1) None 2) None 3) None 4) None | |

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|---|---|--|------------------------|
| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
| | horizontal section | | |
| e) Technical testing and analysis services (CPC 8676) | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) None 2) None 3) None 4) None | |
| f) Services incidental to agriculture, hunting and forestry (CPC 881) | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) None 2) None 3) None 4) None | |
| i) Services incidental to manufacturing (CPC 884+885/except for 88442) | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) None 2) None 3) None 4) None | |
| k) Placement and supply services of personnel | 1) None | 1) None | |

| Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons | | | |
|---|---|--|------------------------|
| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
| (CPC 872) | 2) None 3) None 4) Unbound except as indicated in the horizontal section | 2) None 3) None 4) None | |
| m) Related scientific and technical consulting services (CPC 8675) | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) None 2) None 3) None 4) None | |
| n) Maintenance and repair of equipment (CPC 633+8861-8866; not including maritime vessels, aircraft or other transport equipment) | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) None 2) None 3) None 4) None | |
| o) Building-cleaning services (CPC 874) | 1) None 2) None 3) None | 1) None 2) None 3) None | |

| Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons | | | |
|---|---|--|------------------------|
| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
| | 4) Unbound except as indicated in the horizontal section | 4) None | |
| p) Photographic services (CPC 875) | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) None 2) None 3) None 4) None | |
| q) Packaging services (CPC 876) | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) None 2) None 3) None 4) None | |
| r) Printing, publishing (CPC 88442) | 1) None 2) None 3), 4) Nationality or residency requirement of at least one year for publishing of newspapers or magazines within the national territory. Nationality and residency requirement for editors | 1) None 2) None 3) None 4) None | |

| Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons | | | |
|---|---|---|------------------------|
| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
| | 4) Unbound except as indicated in the horizontal section | | |
| s) Convention services (CPC 87909) | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) None 2) None 3) None 4) None | |
| 2. COMMUNICATION SERVICES | | | |
| B. Courier Services (CPC 7512) | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | |
| C. Telecommunication services | 1) None | 1) None | |
| a. Voice telephony | 2) None | 2) None | |
| b. Packet-switched data transmission services | 3) None | 3) None | |

| Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons | | | |
|--|---|--|------------------------|
| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
| c. Circuit-switched data transmission services d. Telex services e. Telegraph services f. Facsimile services g. Leased circuit services o. Other - Mobile and personal communications services and systems | 4) Unbound except as indicated in horizontal commitments | 4) Unbound except as indicated in horizontal commitments | |
| Value-added services ¹ , Electronic mail, Voice mail, On-line information and Data Base Retrieval, EDI, Code and Protocol Conversion | 1) None 2) None 3) None 4) Unbound except as indicated in horizontal commitments | 1) None 2) None 3) None 4) None | |
| 3. CONSTRUCTION AND RELATED ENGINEERING SERVICES | | | |

¹ Excludes voice telephony, telegraph, telex, packet and circuit switched data services, mobile radio telephony, paging and satellite services.

| Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons | | | |
|---|---|--|------------------------|
| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
| a. <u>General construction work for buildings</u> (CPC 512) | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) None 2) None 3) None 4) None | |
| b. <u>General construction work for civil engineering</u> (CPC 513) | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) None 2) None 3) None 4) None | |
| c) <u>Installation and assembly work</u> (CPC 514+516) | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) None 2) None 3) None 4) None | |
| d) <u>Building completion and finishing work</u> (CPC 517) | 1) None 2) None | 1) None 2) None | |

| Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons | | | |
|---|--|--|------------------------|
| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
| | 3) None 4) Unbound except as indicated in the horizontal section | 3) None 4) None | |
| e) <u>Other</u> Site investigation work (CPC 5111) | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section. | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section. | |
| Demolition work (CPC 5112) | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section. | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section. | |
| Site formation and clearance work (CPC 5113) | 1) None 2) None 3) None | 1) None 2) None 3) None | |

| Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons | | | |
|--|--|--|------------------------|
| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
| | 4) Unbound except as indicated in the horizontal section. | 4) Unbound except as indicated in the horizontal section. | |
| Excavating and earthmoving work (CPC 5114) | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section. | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section. | |
| Scaffolding work (CPC 5116) | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section. | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section. | |
| 4. DISTRIBUTION SERVICES (excluding trade in arms, alcoholic beverages, tobacco and pharmaceutical products) | | | |
| A. <u>Commissions agents' services</u> (CPC 621) | 1) None 2) None 3) None | 1) None 2) None 3) None | |

| Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons | | | |
|---|---|--|------------------------|
| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
| | 4) Unbound except as indicated in the horizontal section | 4) None | |
| B. <u>Wholesale trade services</u> (CPC 622) | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) None 2) None 3) None 4) None | |
| C. <u>Retailing services</u> (CPC 631+632 6111+6113+6121) | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) None 2) None 3) None 4) None | |
| D. <u>Franchising</u> (CPC 8929) | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) None 2) None 3) None 4) None | |

| Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons | | | |
|---|--|--|------------------------|
| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
| E. <u>Other</u> | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) None 2) None 3) None 4) None | |
| 6. ENVIRONMENTAL SERVICES | | | |
| A. <u>Sewage services</u> (CPC 9401) | 1) Unbound* 2) None 3),4) Environmental operation license required 4) Unbound except as indicated in the horizontal section | 1) Unbound* 2) None 3) None 4) None | |
| B. <u>Refuse disposal waste</u> (CPC 9402) | 1) Unbound* 2) None 3),4) Environmental operating license required | 1) Unbound* 2) None 3) None | |

* Unbound due to lack of technical feasibility.

* Unbound due to lack of technical feasibility.

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|---|--|--|------------------------|
| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
| | 4) Unbound except as indicated in the horizontal section | 4) None | |
| C. <u>Sanitation and similar services</u> (CPC 9403) | 1) Unbound* 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) Unbound* 2) None 3) None 4) None | |
| D. <u>Other</u> | 1) Unbound* 2) None 3),4) Environmental operating license required 4) Unbound except as indicated in the horizontal section | 1) Unbound* 2) None 3) None 4) None | |
| 7. FINANCIAL SERVICES | | | |

* Unbound due to lack of technical feasibility.

* Unbound due to lack of technical feasibility.

| Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons | | | |
|---|---|---|------------------------|
| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
| (i) Iceland undertakes commitments on financial services in accordance with the “Understanding on Commitments in Financial Services” (the Understanding). (ii) Market access commitments with respect to modes 1 and 2 are bound in this Schedule to the extent of the obligations in paragraphs 3 and 4 of the Understanding. | | | |
| A. <u>Insurance and insurance-related services</u> | <p>1) The supply of direct insurance is reserved for Icelandic insurance undertakings or authorized insurance undertakings from another EEA Member State.</p> <p>The supply of insurance broker services is reserved for insurance brokers authorized by the Ministry of Commerce or insurance brokers authorized by competent authorities of another EEA Member State.</p> <p>2) None</p> <p>3) Insurance undertakings not established in an EEA Member State require authorisation to establish branch offices in Iceland.</p> <p>Any investor, whether resident or non-resident, who acquires or intends to acquire a qualifying holding in an insurance undertaking must give advance notice to the Insurance Supervisory Authority. The Authority may refuse the acquisition or the exercise of ownership if it believes that the acquisition will affect the sound functioning of the enterprise.</p> | <p>1) None</p> <p>2) None</p> <p>3) Founders of an insurance undertaking must be Icelandic residents or legal entities registered in Iceland, citizens of another EEA Member State residing in an EEA Member State or legal entities registered in an EEA Member State.</p> <p>Branch offices of non-EEA insurance undertakings must be managed by a resident agent.</p> <p>Insurance brokers must be resident in Iceland or citizens or legal entities of another EEA Member State residing in an EEA Member State.</p> <p>4) None</p> | |

| Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons | | | |
|---|---|---|------------------------|
| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
| | 4) Unbound except as indicated in the horizontal section. | | |
| B. <u>Banking and other financial services</u> (excluding insurance) | <p>1) None</p> <p>2) None</p> <p>3) Credit institutions and undertakings engaged in securities services established in a non-EEA State can establish a branch or a representative office, subject to authorisation by the Ministry of Commerce.</p> <p>Credit institutions and undertakings engaged in securities services can only be established as companies with limited liability.</p> <p>Commercial banks and savings banks have exclusive rights to accept deposits and other repayable funds from the public.</p> <p>Public issue of securities shall be conducted by securities undertakings or other parties authorized to provide such services.</p> | <p>1) Domestic financial institutions shall inform the Central Bank of Iceland of the balances of service providers' accounts held by non-residents.</p> <p>2) None</p> <p>3) A founder of a credit institution shall be a natural or legal person resident in Iceland. The Minister of Commerce can grant exemptions from this requirement. Citizens and legal persons of other EEA Member States are exempted from the residency requirement.</p> <p>Managers and board members of credit institutions and undertakings engaged in securities services and UCITS shall be resident in Iceland. Citizens of other EEA Member States are exempted from the residency requirement. The Minister of Commerce may grant citizens of non-EEA Member States the same exemptions.</p> <p>Service providers shall inform the Ministry of Commerce of investments made by non-residents in business enterprises in Iceland and the Central Bank of Iceland of</p> | |

| Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons | | | |
|---|---|--|------------------------|
| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
| | 4) Unbound except as indicated in the horizontal section. | investments made by non-residents in securities in Iceland. 4) None | |
| 9. TOURISM AND TRAVEL RELATED SERVICES | | | |
| A. <u>Hotels and Restaurants</u> (including catering) (CPC 641-643) | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) None 2) None 3) Condition of licenses is one year previous residency 4) Condition of licenses is one year previous residency | |
| B. <u>Travel agencies and tour operators</u> (CPC 7471) | 1) None 2) None 3),4) Deposits or liability insurance to cover loss caused to clients 4) Unbound except as indicated in the horizontal section | 1) None 2) None 3),4) Condition of licenses is one year previous residency of the manager | |
| C. <u>Tourist guides services</u> (CPC 7472) | 1) None 2) None | 1) None 2) None | |

| Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons | | | |
|---|---|--|------------------------|
| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
| | 3) None 4) Unbound except as indicated in the horizontal section | 3) None 4) The right to exercise the profession is reserved for resident authorized tourist guides. Foreign resident guides may be granted temporary license on ad hoc basis. | |
| 10. RECREATIONAL, CULTURAL AND SPORTING SERVICES (other than audiovisual services) | | | |
| A. <u>Entertainment services</u> (including theatre, live bands and circus services) (CPC 9619) | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) None 2) None 3) Targeted financial support to specific local, regional or national activities 4) None | |
| B. <u>News agency services</u> (CPC 962) | 1),2),3) None other than access to management functions is subject to discretionary authorisations by competent authorities 4) Condition of nationality and residency for the editor of a paper or magazine. Unbound except as indicated in the horizontal section | 1) None 2) None 3) None 4) None | |

| Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons | | | |
|---|--|---|------------------------|
| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
| C. <u>Libraries, archives, museums and other cultural service</u> (CPC 963) | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) None 2) None 3) Targeted financial support to specific local, regional or national activities 4) None | |
| D. <u>Sporting and other recreational services</u> (CPC 964) | 1) None 2) None 3), 4) Gambling, coin machines and like activities are subject to licensing. Boxing is illegal in Iceland. 4) Unbound except as indicated in the horizontal section | 1) None 2) None 3) Targeted financial support to specific local, regional or national activities 4) None | |
| E. <u>Other</u> | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) None 2) None 3) Targeted financial support to specific local, regional or national activities 4) None | |

| Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons | | | |
|---|--|--|---|
| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
| 11. TRANSPORT SERVICES | | | |
| A. <u>Maritime Transport Services</u> | | | |
| International transport (freight and passengers) less cabotage transport (CPC 7211 and CPC 7212) | 1) None 2) None 3) None, except for ships registered in Iceland must be owned by Icelandic citizens or companies constituted under Icelandic law, or by citizens of another EEA-Member State. 4) Unbound except as indicated in the horizontal section. | 1) None 2) None 3) None, except for ships registered in Iceland must be owned by Icelandic citizens or companies constituted under Icelandic law, or by citizens of another EEA-Member State. 4) Unbound except as indicated in the horizontal section. | |
| Other Maritime Auxiliary Services | | | The following services are made available to international maritime transport suppliers on reasonable and non-discriminatory terms and conditions: <ol style="list-style-type: none"> 1. Pilotage 2. Towage and Tug Assistance 3. Provisioning, Fuelling and |

| Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons | | | |
|---|--|--|--|
| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
| | | | Watering 4. Garbage Collection and Ballast; Waste Disposal 5. Port Captain's Services 6. Navigation Aids 7. Emergency Repair Facilities 8. Anchorage 9. Other Shore-based Operational Services Essential to Ships Operations, Including Communications, Water and Electrical Suppliers |
| Pilotage | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section. | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section. | |
| Towing and Tug Assistance | 1) None 2) None | 1) None 2) None | |

| Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons | | | |
|---|--|--|------------------------|
| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
| | <p>3) Ships registered in Iceland must be owned by Icelandic citizens or companies constituted under Icelandic law, or by citizens of another EEA-Member State.</p> <p>4) Unbound except as indicated in the horizontal section.</p> | <p>3) Ships registered in Iceland must be owned by Icelandic citizens or companies constituted under Icelandic law, or by citizens of another EEA-Member State.</p> <p>4) Unbound except as indicated in the horizontal section.</p> | |
| Provisioning, Fuelling and Watering | <p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound except as indicated in the horizontal section.</p> | <p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound except as indicated in the horizontal section.</p> | |
| Garbage Collection and Ballast; Waste Disposal | <p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound except as indicated in the horizontal section.</p> | <p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound except as indicated in the horizontal section.</p> | |
| Port Captain's Services | <p>1) None</p> <p>2) None</p> | <p>1) None</p> <p>2) None</p> | |

| Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons | | | |
|---|--|--|------------------------|
| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
| | 3) None 4) Unbound except as indicated in the horizontal section. | 3) None 4) Unbound except as indicated in the horizontal section. | |
| Navigation Aids | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section. | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section. | |
| Emergency Repair Facilities | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section. | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section. | |
| Anchorage | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section. | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section. | |

| Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons | | | |
|---|---|---|------------------------|
| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
| Other Shore-based Operational Services Essential to Ships Operations, Including Communications, Water and Electrical Suppliers. | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section. | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section. | |
| C. <u>Air Transport Services</u> Maintenance and repair of aircraft and parts thereof | 1) Unbound* 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) Unbound* 2) None 3) None 4) None | |
| Sales and marketing | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) For distribution through CRS of air transport services provided by CRS parent carrier: unbound 2) None 3) For distribution through CRS of air transport services provided by CRS parent carrier: unbound | |

* Unbound due to lack of technical feasibility.

| Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons | | | |
|---|---|--|------------------------|
| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
| | | 4) None | |
| Computer Reservations System | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) For obligations of parent or participating carriers in respect of a CRS controlled by an air carrier of one or more third countries: unbound 2) None 3) For obligations of parent or participating carriers in respect of a CRS controlled by an air carrier of one or more third countries: unbound 4) None | |

| Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons | | | |
|---|--|--|------------------------|
| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
| <u>Road Transport Services</u> | | | |
| a) Passenger transportation (CPC 7121+7122) | 1) None 2) None 3), 4) Authorisation required for commercial land transport services. Numerical quotas may be imposed as well as exclusive licenses for certain areas or routes. 4) Unbound except as indicated in the horizontal section | 1) None 2) None 3) None 4) None | |
| b) Freight transportation (CPC 7123) | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) None 2) None 3) None 4) None | |
| c) Rental of commercial vehicles with operator (CPC 7124) | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) None 2) None 3) None 4) None | |

| Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons | | | |
|---|---|--|------------------------|
| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
| d) Maintenance and repair of road transport equipment (CPC 6112+8867) | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) None 2) None 3) None 4) None | |
| e) Supporting services for road transport services (CPC 744) | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) None 2) None 3) None 4) None | |
| <u>Services auxiliary to all modes of transport</u> | | | |
| b) Storage and warehousing services (CPC 742) | 1) Unbound* 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) Unbound* 2) None 3) None 4) None | |

* Unbound due to lack of technical feasibility.

| Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons | | | |
|---|---|--|------------------------|
| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
| c) Freight transport agency services (CPC 748) | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) None 2) None 3) None 4) None | |
| d) Other (CPC 749) | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) None 2) None 3) None 4) None | |
| Other Transport Services | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) None 2) None 3) None 4) None | |
| 12. OTHER SERVICES NOT INCLUDED ELSEWHERE | | | |
| Washing, cleaning and dyeing | 1) None | 1) None | |

| Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons | | | |
|---|---|---|------------------------|
| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
| services (CPC 9701) | 2) None 3) None 4) Unbound except as indicated in the horizontal section | 2) None 3) None 4) Unbound except as indicated in the horizontal section | |
| Funeral, cremation and undertaking services (CPC 9703) | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section | |