

EUROPEAN COMMUNITIES AND THEIR MEMBER STATES SCHEDULE OF SPECIFIC COMMITMENTS

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
FINANCIAL SERVICES SECTOR¹			
1.	The Communities and their Member States undertake commitments on Financial Services in accordance with the provisions of the "Understanding on Commitments in Financial Services" (the Understanding).		
2.	These commitments are subject to the limitations on market access and national treatment in the "all sectors" section of this schedule and to those relating to the subsectors listed below.		
3.	The market access commitments in respect of modes (1) and (2) apply only to the transactions indicated in paragraphs B.3 and B.4 of the market access section of the Understanding respectively.		
4.	Notwithstanding note 1. above, the market access and national treatment commitments in respect of mode (4) on financial services are those in the "all sectors" section of this schedule, except for Sweden in which case commitments are made in accordance with the Understanding.		
5.	The admission to the market of new financial services or products may be subject to the existence of, and consistency with, a regulatory framework aimed at achieving the objectives indicated in Article 2(a) of the Financial Services Annex.		
6.	As a general rule and in a non-discriminatory manner, financial institutions incorporated in a Member State of the Community must adopt a specific legal form.		

¹ Unlike foreign subsidiaries, branches established directly in a Member State by a non-Community financial institution are not, with certain limited exceptions, subject to prudential regulations harmonised at Community level which enable such subsidiaries to benefit from enhanced facilities to set up new establishments and to provide cross-border services throughout the Community. Therefore, such branches receive an authorisation to operate in the territory of a Member State under conditions equivalent to those applied to domestic financial institutions of that Member State, and may be required to satisfy a number of specific prudential requirements such as, in the case of banking and securities, separate capitalisation and other solvency requirements and reporting and publication of accounts requirements or, in the case of insurance, specific guarantee and deposit requirements, a separate capitalisation, and the localisation in the Member State concerned of the assets representing the technical reserves and at least one third of the solvency margin. Member States may apply the restrictions indicated in this schedule only with regard to the direct establishment from a third country of a commercial presence or to the provision of cross-border services from a third country; consequently, a Member State may not apply these restrictions, including those concerning establishment, to third-country subsidiaries established in other Member States of the Community, unless these restrictions can also be applied to companies or nationals of other Member States in conformity with Community law.