

**Draft**  
**Subject to Legal Review for Accuracy, Clarity, and Consistency**  
**June 18, 2004**

**Annex I**  
**Schedule of Bahrain**

<b>Sectors:</b>	Certain Sectors
<b>Obligation Concerned:</b>	Local Presence (Article 10.5)
<b>Level of Government:</b>	Central
<b>Existing Measures:</b>	Legislative Decree No. 1 of 1961, the Commercial Register Law as amended.
<b>Description:</b>	<p>1. Except where the service is supplied on behalf of a Bahraini enterprise, in order for persons of the other Party, to supply a service in the following sectors, through the presence in Bahrain of a natural person, such persons must maintain a place of business in Bahrain in order to comply with commercial registration requirements:</p> <p>Accounting, Financial Auditing, Bookkeeping and Related Services; Advertising Services; Architectural and Engineering Services; Car Rental Services; Census, Market Research and Public Opinion Polling; Construction Services and Construction Related Services; Consultancy and Management Services; Debt Collection Services; Legal Services; Private Security Guard Services; Publishing and Printing; Real Estate Services; Services Incidental to Mining; Small Business Services; Terrestrial over the Air Radio, Television and Satellite Transmission and Subscription Services in the Territory of Bahrain; Tourism – Hotel Operations and Management; Transportation Services; Travel Agency Tour Operators and Tourist Guide Services; and Wholesale and Retail Services.</p> <p>2. Notwithstanding paragraph 1, U.S. service suppliers who are licensed and authorized in the United States to supply the following professional services may apply for up to 3 temporary licenses to supply such</p>

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services within the territory of Bahrain without having to maintain a place of business in Bahrain. Each temporary license to be for an initial period of 12 months, which temporary license, maybe renewed for a further period of up to 12 months:

Accounting, Book-keeping and Related Services;  
Architectural and Engineering Services;  
Construction and Construction Related Services;  
Consultancy and Management Services;  
Services Incidental to Mining; and  
Terrestrial over the Air Radio, Television and Satellite Transmission and Subscription Services in the Territory of Bahrain.

For greater certainty such temporary licenses shall be granted in accordance with the provisions of Article 7 of Chapter 10.

**Phase out:**

Within 3 years of the date of entry into force of this Agreement, Bahrain will phase out the requirement for a local presence in the following sectors:

Advertising Services;  
Car Rental Services;  
Consultancy and Management Services;  
Debt Collection Services;  
Transportation Services; and  
Travel Agency Tour Operators and Tourist Guide Services.

Within [7] years of the date of signature of this Agreement, Bahrain will phase out the requirement for a local presence in the following sectors:

Accounting, Financial Auditing and Bookkeeping Services;  
Architectural and Engineering Services;  
Services Incidental to Mining; and  
Construction and Construction Related Services.

For greater certainty, nothing in this non-conforming measure shall be construed to permit Bahrain to prohibit the cross-border supply of services in any sector as defined in subparagraphs (a) and (b) of Article 13 of Chapter 10.

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<b>Sector:</b>	Legal Services
<b>Obligations Concerned:</b>	National Treatment (Article 10.2) Most-Favored- Nation Treatment (Article 10.3)
<b>Level of Government:</b>	Central
<b>Measures:</b>	Legislative Decree No. 26 of 1980 with respect to Promulgating the Legal Practice Act as amended; Legislative Decree No. 3 of 1983 Concerning the Treatment to be Afforded to GCC Nationals in Respect of Economic Activities in Bahrain as amended; Legislative Decree No. 24 of 1987 with respect to approving the Charter of the Arabian Gulf States Co-operation Council as amended; and Legislative Decree No. 7 of 2002 with respect to approving the Economic Agreement Between the GCC Member States.
<b>Description:</b>	<ol style="list-style-type: none"><li>1. Only qualified lawyers who are citizens of Bahrain or the GCC and licensed by the Bahraini authorities may supply legal services in the territory of Bahrain, including representing clients before law courts, arbitration tribunals, police departments, and administrative commissions of a judicial nature within the territory of Bahrain.</li><li>2. Notwithstanding paragraph 1, non-Bahraini and non-GCC lawyers, resident in Bahrain, may supply legal services in the territory of Bahrain, other than representing clients before law courts, arbitration tribunals, police departments, and administrative commissions of a judicial nature, if employed by a lawyer licensed to practice law in Bahrain.</li><li>3. For greater certainty, legal consultants of the other Party, either as individuals or firms, may supply legal services in Bahrain, with respect to the laws of countries other than Bahrain, upon obtaining a license from the Bahraini authorities, if the individual providing the legal advice is licensed to practice in the jurisdiction with respect to which he is providing the advice.</li></ol>

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<b>Sector:</b>	Advertising
<b>Obligations Concerned:</b>	National Treatment (Article 10.2) Most-Favored- Nation Treatment (Article 10.3)
<b>Level of Government:</b>	Central
<b>Measures:</b>	Ministerial Order No. 4 of 1995 with respect to determining the Activities Undertaken by Closed Joint Stock Companies and Companies With Limited Liability Fully Owned by Non-Bahrainis; Article 347 of Legislative Decree No. 21 of 2001, The Commercial Companies' Law; and Legislative Decree No. 47 of 2002 with respect to Regulating the Press, Printing and Publications.
<b>Description:</b>	<p>Non-Bahraini or non-GCC persons may provide advertising services in the territory of Bahrain only through:</p> <ul style="list-style-type: none"><li>(a) a branch office of a foreign company as provided by Article 347 of Legislative Decree No. 21 of 2001, The Commercial Companies' Law; or</li><li>(b) a 100% foreign owned company established in Bahrain that is either a Joint Closed Stock Company or a With Limited Liability Company, which uses Bahrain as a principal place for the distribution of its services.</li></ul> <p>Such entities must be managed by a Bahraini citizen who is permanently resident in Bahrain.</p> <p>For greater certainty, these requirements only apply to advertising services involving the creation or public transmission of advertising within the territory of Bahrain and in addition, these measures would not prohibit US service suppliers outside the territory of Bahrain who do not maintain an office in Bahrain from selling advertising space on programming being transmitted into Bahrain via satellite to a Bahraini person in the territory of Bahrain.</p>
<b>Phase-out:</b>	This NCM will be phased-out within 5 years of the date of entry into force of this Agreement

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<b>Sector:</b>	Publishing – Local Newspapers and Periodicals
<b>Obligations Concerned:</b>	National Treatment (Article 10.2)
<b>Level of Government:</b>	Central
<b>Measures:</b>	Legislative Decree No. 47 of 2002 with respect to Regulating the Press, Printing and Publications.
<b>Description:</b>	Only Bahraini citizens may publish local newspapers and local periodicals in the territory of Bahrain. For greater certainty, only Bahraini citizens may own local media enterprises.

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<b>Sector:</b>	Publishing
<b>Obligations Concerned:</b>	National Treatment (Article 10.2) Most-Favored-Nation Treatment (Article 10.3)
<b>Level of Government:</b>	Central
<b>Measures:</b>	Ministerial Order No. 4 of 1995 with respect to determining the Activities Undertaken by Closed Joint Stock Companies and Companies With Limited Liability Fully Owned by Non-Bahrainis; Article 347 of Legislative Decree No. 21 of 2001, The Commercial Companies' Law; and Legislative Decree No. 47 of 2002 with respect to Regulating the Press, Printing and Publications.
<b>Description:</b>	Non-Bahraini or non-GCC persons may supply publishing services in the territory of Bahrain only through:  <ul style="list-style-type: none"><li>(a) a branch office of a foreign company as provided by Article 347 of Legislative Decree No. 21 of 2001, The Commercial Companies' Law; or</li><li>(b) a 100% foreign owned company established in Bahrain that is either a Joint Closed Stock Company or a With Limited Liability Company, which uses Bahrain as a principal place for the distribution of its services.</li></ul> Such entities must be managed by a Bahraini citizen who is permanently resident in Bahrain.
<b>Phase-out:</b>	This NCM will be phased-out within 5 years of the date of entry into force of this Agreement.

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**Sector:** Freight and Cargo Services

**Obligations  
Concerned:** Market Access (Article 10.4)

**Level of  
Government:** Central

**Measures:** The Law of Ports of 1962 as amended.

**Description:** The Government of Bahrain reserves the right to be the exclusive supplier of cargo-handling services at government owned ports and/or to limit the number of concessions for the supply of such services.

Although vessels that are equipped with cargo handling gear may perform their own loading and unloading using the vessel's crew, subject to prior authorization, customary port tariffs including cargo handling fees will be assessed to the vessel's master.

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<b>Sector:</b>	Customs Clearance Services
<b>Obligations Concerned:</b>	National Treatment (Article 10.2) Most-Favored-Nation Treatment (Article 10.3)
<b>Level of Government:</b>	Central
<b>Measures:</b>	Legislative Decree No. 10 of 2002 with respect to approving the Customs Regulation (Law) of the GCC Member States.
<b>Description:</b>	Only Bahrain and GCC persons may supply customs clearance services.

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<b>Sector:</b>	Pilotage and Berthing Services
<b>Obligations Concerned:</b>	National Treatment (Article 10.2)
<b>Level of Government:</b>	Central
<b>Measures:</b>	Legislative Decree No. 23 of 1982 promulgating the Maritime Code as amended;
<b>Description:</b>	Only Bahraini-flagged vessels may supply towing services, and only Bahraini nationals may supply pilotage services, in Bahrain's territorial waters.

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<b>Sector:</b>	Coastal Water Transportation Services
<b>Obligations Concerned:</b>	National Treatment (Article 10.2)
<b>Level of Government:</b>	Central
<b>Measures:</b>	Legislative Decree No. 23 of 1982 promulgating the Maritime Code as amended.
<b>Description:</b>	Only Bahraini-flagged vessels may supply coastal water transportation services, as well as water transportation between Bahrain seaports.

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**Sector:** Energy Services – Wholesale distribution of petroleum products

**Obligations  
Concerned:** Market Access (Article 10.4)

**Level of  
Government:** Central

**Measures:** Legislative Decree No. 25 of 1980 establishing the Supreme Oil Council.

**Description:** Only the state-owned Bahrain Petroleum Company may engage in the wholesale distribution of petroleum products.

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<b>Sector:</b>	Energy Services – Water Distribution Services
<b>Obligations Concerned:</b>	Market Access (Article 10.4)
<b>Level of Government:</b>	Central
<b>Measures:</b>	Legislative Decree No. 1 of 1996 with respect to Electricity and Water.
<b>Description:</b>	Only the Government of Bahrain may supply water distribution services through pipelines.

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<b>Sector:</b>	Energy Services – Electricity Distribution Services
<b>Obligations Concerned:</b>	Market Access (Article 10.4)
<b>Level of Government:</b>	Central
<b>Measures:</b>	Legislative Decree No. 1 of 1996 with respect to Electricity and Water.
<b>Description:</b>	Only the Government of Bahrain may supply electricity distribution and transmission services.

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<b>Sector:</b>	Telecommunication Services
<b>Obligations Concerned:</b>	Local Presence (Article 10.5)
<b>Level of Government:</b>	Central
<b>Measures:</b>	Legislative Decree No. 1 of 1961, the Commercial Register Law as amended; and Legislative Decree No. 48 of 2002, the Telecommunications Law.
<b>Description:</b>	Where a license is required to supply telecommunication services within the territory of Bahrain, Bahrain requires that:  <ol style="list-style-type: none"><li>(1) the licensed applicant be a juridical entity, or a branch of a foreign company incorporated or licensed to operate within the territory of Bahrain; and</li><li>(2) substantially all the infrastructure and personnel associated with the supply of the service be located within the territory of Bahrain.</li></ol>

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<b>Sector:</b>	Telecommunication Services
<b>Obligations Concerned:</b>	Market Access (Article 10.4)
<b>Level of Government:</b>	Central
<b>Measures:</b>	Legislative Decree No. 48 of 2002, the Telecommunications Law.
<b>Description:</b>	Bahrain reserves the right to limit the number of telecommunication service suppliers in the mobile telecommunications sector to 2 operators until the 31 <sup>st</sup> of December 2005.

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<b>Sector:</b>	Real Estate Services
<b>Obligations Concerned:</b>	National Treatment (Article 10.2)
<b>Level of Government:</b>	Central
<b>Measures:</b>	Legislative Decree No. 7 of 1987, the Law of Commerce as amended; and Article 347 of Legislative Decree No. 21 of 2001, the Commercial Companies' Law.
<b>Description:</b>	In order to supply real estate services in the territory of Bahrain, non-Bahraini citizens must have a Bahraini partner who holds at least 51% of the capital of the business; or establish a branch office of a foreign company in the territory of Bahrain.

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<b>Sector:</b>	Islamic Pilgrimage Services
<b>Sub-sector:</b>	Islamic Pilgrimages
<b>Industry Classification:</b>	
<b>Obligations Concerned:</b>	National Treatment (Article 10.2)
<b>Level of Government:</b>	Central
<b>Measures:</b>	Legislative Decree No. 26 of I976 with respect to Regulating the Affairs of Hajj and Umra, as amended.
<b>Description:</b>	Only Bahraini citizens resident in Bahrain may supply Hajj and Umra services.