5. The screening is conducted from the viewpoint of whether the conclusion of the technology introduction contract is likely to cause a situation in which national security is impaired, the maintenance of public order is disturbed, or the protection of public safety is hindered.

6. The resident may be required to alter the provisions of the technology introduction contract or discontinue the conclusion of that contract, depending on the screening result.

7. The number of licences conferred to manufacturers and service suppliers in those sectors may be limited.

8. An enterprise which intends to produce aircraft and supply repair services is required to establish a factory related to manufacture or repair aircraft under the laws and regulations of Japan.

ANNEX II

RESERVATIONS FOR FUTURE MEASURES

Schedule of the European Union

Headnotes

1. The Schedule of the European Union sets out, under Article 8.12 and Article 8.18, the reservations taken by the European Union with respect to future measures that do not conform with obligations imposed by:

   (a) Article 8.7 or 8.15;

   (b) Article 8.8 or 8.16;

   (c) Article 8.9 or 8.17;