52.	Sector	:	Transport
	Subsector	:	Water Transport
	Industry Classification	:	JSIC 452 Coastwise transport JSIC 453 Inland water transport JSIC 4542 Coastwise ship leasing
	Level of Government	:	Central Government
	Type of Obligation	:	National Treatment (Articles 8.4 and 10.3)
	Description	:	Trade in Services and Investment 1. The prior notification requirement and screening procedures under the *Foreign Exchange and Foreign Trade Law* apply to foreign investors who intend to make investments in water transport industry in Japan. 2. The screening is conducted from the viewpoint of whether the investment is likely to cause a situation in which significant adverse effect is brought to the smooth operation of the Japanese economy.[15] 3. The investor may be required to alter the content of the investment or discontinue the investment process, depending on the screening result. 4. For greater certainty, “water transport industry” refers to oceangoing or seagoing transport, coastwise transport (i.e. maritime transport between ports in Japan), inland water transport and ship leasing industry. However, oceangoing or seagoing transport industry and ship leasing industry excluding coastwise ship leasing industry are exempted from the prior notification requirement and screening procedures under the *Foreign Exchange and Foreign Trade Law*.
	Measures	:	*Foreign Exchange and Foreign Trade Law* (Law No. 228 of 1949), Article 27 *Cabinet Order on Foreign Direct Investment* (Cabinet Order No. 261 of 1980), Article 3

[15] For greater certainty, absence of reference in this description to “national security”, which is referred to in entries No. 10, 12, 13, 15, 37, 46, 47, 55 and 57 of this List A, does not mean that Article 10.15 (Security Exceptions) and Article 17.13 (Security Exceptions) does not apply to the screening or that Japan waives its right to invoke Article 10.15 (Security Exceptions) and Article 17.13 (Security Exceptions) to justify the screening.

53.	Sector	:	Transport
	Subsector	:	Water Transport
	Industry Classification	:	-
	Level of Government	:	Central Government
	Type of Obligation	:	National Treatment (Articles 8.4 and 10.3) Market Access (Article 8.5) Most-Favoured-Nation Treatment (Articles 8.6 and 10.4)
	Description	:	Trade in Services and Investment Unless otherwise specified in the laws and regulations of Japan, or international agreements to which Japan is a party, ships not flying the Japanese flag are prohibited from entering ports in Japan which are not open to foreign commerce and from carrying cargoes or passengers between ports in Japan.
	Measures	:	*Ship Law* (Law No. 46 of 1899), Article 3