

scheduled cross-border bus service to and from any part of the United States. At the same time, Mexico will provide the same treatment to bus firms from Canada and the United States.

Six years after the Agreement goes into effect, the United States will provide cross-border access to its entire territory to trucking firms from Mexico. Mexico will provide the same treatment to trucking firms from Canada and the United States.

Seven years after the Agreement goes into effect, Mexico will allow 51 percent Canadian and U.S. investment in Mexican bus companies and in Mexican truck companies providing international cargo services. At the same time, the United States will lift its moratorium on domestic operating authority for Mexican bus companies.

Ten years after the Agreement goes into effect, Mexico will permit 100 percent investment in truck and bus companies in Mexico. No NAFTA country will be required to remove restrictions on truck carriage of domestic cargo.

Rail Services: Under the Agreement and consistent with a Mexican reservation taken pursuant to its Constitution, Canadian and U.S. railroads will continue to be free to market their services in Mexico, operate unit trains with their own locomotives, construct and own terminals and finance rail infrastructure. Mexico will continue to enjoy full access to the Canadian and U.S. railroad systems. The Agreement does not affect each NAFTA country's immigration law requirements for crews to change at or near their borders.

Port Services: The Agreement also liberalizes land-side aspects of marine transport. Mexico will immediately allow 100 percent Canadian and U.S. investment in, and operation of, port facilities such as cranes, piers, terminals and stevedoring companies for enterprises that handle their own cargo. For enterprises handling other companies' cargo, 100 percent Canadian and U.S. ownership will be allowed after screening by the Mexican Foreign Investment Commission. Canada and the United States will continue to permit full Mexican participation in these activities.

Technical and Safety Standards

Consistent with their commitment to enhance safety, health and environmental and consumer protection, the NAFTA partners will endeavor to make compatible, over a period of six years, their standards-related measures with respect to motor carrier and rail operations, including:

- vehicles, including equipment such as tires and brakes, weights and dimensions, maintenance and repair and certain aspects of emission levels;
- non-medical testing and licensing of truck drivers;
- medical standards for truck drivers;
- locomotives and other rail equipment and operating personnel standards relevant to cross-border operations;
- standards relating to the transportation of dangerous goods; and

- road signs and supervision of motor carrier safety compliance.

Access to Information

Each NAFTA country will designate contact points to provide information regarding land transportation matters such as those related to operating authorizations and safety requirements.

Review Process

Beginning five years after the Agreement goes into effect, a committee of government officials will consider the effectiveness of liberalization in the land transportation sector, including any specific problems or unanticipated effects liberalization might have on each country's motor carrier industry. No later than seven years after the Agreement goes into effect, consultations will also address possible further liberalization. The results of these consultations will be forwarded to the NAFTA Trade Commission for appropriate action.

Telecommunications

NAFTA provides that public telecommunications transport networks ("public networks") and services are to be available on reasonable and non-discriminatory terms and conditions for firms or individuals who use those networks for the conduct of their business. These uses include the provision of enhanced or value-added telecommunications services and intracorporate communications. However, the operation and provision of public networks and services have not been made subject to the NAFTA.

Access to and Use of Public Networks

The three countries will ensure that reasonable conditions of access and use include the ability to:

- lease private lines;
- attach terminal or other equipment to public networks;
- interconnect private circuits to public networks;
- perform switching, signalling and processing functions; and
- use operating protocols of the user's choice.

Moreover, conditions on access and use may be imposed only if necessary to safeguard the public service responsibilities of network operators or to protect the technical integrity of public networks. Provided that these criteria are met, such conditions on access and use may include restrictions on resale or shared use of public telecommunications transport services, requirements to use specified technical interfaces with public networks or services and restrictions on the interconnection of private circuits to provide public networks or services.

Rates for public telecommunications transport services must reflect economic costs, and private leased circuits must be available on a flat-rate pricing basis. However, NAFTA does