

# Annex III: Schedule of Canada – Text of the 2023 Canada - Ukraine Free Trade Agreement

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The 2017 CUFTA will remain in force until entry into force of the 2023 modernized agreement. Until such time, please refer to the [2017 CUFTA text](#) for information on the existing trade agreement between Canada and Ukraine.

## Introductory Notes

1. For Canada, in the interpretation of a reservation in Section A, all elements of the reservation shall be considered. A reservation shall be interpreted in the light of the relevant provisions of the Chapter against which the reservation is taken. To the extent that:

- (a) the **Measures** element is qualified by a specific reference in the **Description** element as so qualified shall prevail over all other elements; and
- (b) the **Measures** element is not so qualified, the **Measures** element shall prevail over all other elements, unless any discrepancy between the **Measures** element and the other elements considered in their totality is so substantial and material that it would be unreasonable to conclude that the **Measures** element should prevail, in which case the other elements shall prevail to the extent of that discrepancy.

2. For Canada, in the interpretation of a reservation in Section B, all elements of the reservation shall be considered. The **Description** element shall prevail over all other elements.

## Headnotes

1. Commitments under this Agreement, in the subsectors listed in this Schedule, are undertaken subject to the limitations and conditions set forth in these headnotes and in the Schedule below.

2. To clarify Canada's commitment with respect to Article 20.5 (Market Access for Financial Institutions), juridical persons supplying financial services and constituted under the laws of Canada are subject to non-discriminatory limitations on juridical form. [Footnote1](#)

3. Article 20.10(1)(c) (Non-Conforming Measures) shall not apply to non-conforming measures relating to Article 20.5(b) (Market Access for Financial Institutions).

## Section A

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**Sector:**

Financial Services

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**Sub-Sector:**

Banking and other financial services (excluding insurance)

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**Obligations Concerned:**

Market Access for Financial Institutions (Article 20.5)

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**Level of Government:**

Central

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**Measures:**

*Bank Act (SC 1991, c. 46), s. 524*

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**Description:**

In order to establish a bank branch, a foreign bank must be a bank in the jurisdiction under whose laws it is incorporated.

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**Sector:**

Financial Services

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**Sub-Sector:**

Banking and other financial services (excluding insurance)

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**Obligations Concerned:**

National Treatment (Article 20.3)

Market Access for Financial Institutions (Article 20.5)

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**Level of Government:**

Central

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**Measures:**

*Bank Act (SC 1991, c. 46), s. 520, 524, 540, 545*

*Sales or Trades (Authorized Foreign Banks) Regulations (SOR/2000-52)*

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**Description:**

A foreign bank must establish a subsidiary as a condition for accepting retail deposits. Foreign lending branches may not accept deposits.

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**Sector:**

Financial Services

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**Sub-Sector:**

All

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**Obligations Concerned:**

Market Access for Financial Institutions (Article 20.5)

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**Level of Government:**

Central

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**Measures:**

*Trust and Loan Companies Act (S.C. 1991, c. 45)*

*Bank Act (SC 1991, c. 46)*

*Cooperative Credit Associations Act (S.C. 1991, c. 48)*

*Insurance Companies Act (S.C. 1991, c. 47)*

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**Description:**

Federal laws do not permit a trust and loan company, credit union, or fraternal benefit society in Canada to be established through branches of corporations organised under a foreign country's law.

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**Sector:**

Financial Services

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**Sub-Sector:**

All

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**Obligations Concerned:**

Market Access for Financial Institutions (Article 20.5)

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**Level of Government:**

Central

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**Measures:**

*Bank Act (SC 1991, c. 46), s. 510, 522.16, 524*

*Insurance Companies Act (S.C. 1991, c. 47), s. 573, 574, 581*

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**Description:**

A bank branch must be established directly under the authorised foreign bank incorporated in the jurisdiction where the authorised foreign bank principally carries on business.

A foreign entity authorised to insure, in Canada, risks, must be established directly under the foreign insurance company incorporated in the jurisdiction where the foreign insurance company, either directly or through a subsidiary, principally carries on business.

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**Sector:**

Financial Services

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**Sub-Sector:**

Banking and other financial services (excluding insurance)

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**Obligations Concerned:**

National Treatment (Article 20.3)

Market Access for Financial Institutions (Article 20.5)

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**Level of Government:**

Central

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**Measures:**

*Bank Act (SC 1991, c. 46), s. 520, 540, 545*

*Bank Act (SC 1991, c. 46), sch. I, II*

*Canada Deposit Insurance Corporation Act*  
(R.S.C., 1985, c. C-3), s. 2, 8, 17

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**Description:**

Full service foreign bank branches and lending foreign bank branches are prohibited from becoming member institutions of the Canada Deposit Insurance Corporation.

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**Sector:**

Financial Services

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**Sub-Sector:**

Banking and other financial services (excluding insurance)

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**Obligations Concerned:**

National Treatment (Article 20.3)

Market Access for Financial Institutions (Article 20.5)

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**Level of Government:**

Central

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**Measures:**

*Canadian Payments Act* (R.S.C., 1985, c. C-21), s. 2, 4

*Bank Act* (SC 1991, c. 46), s. 524, 540

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**Description:**

Lending branches of foreign banks are prohibited from being members of the Canadian Payments Association.

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**Sector:**

Financial Services

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**Sub-Sector:**

All

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**Obligations Concerned:**

National Treatment (Article 20.3)

Most-Favoured-Nation Treatment (Article 20.4)

Cross-Border Trade (Article 20.6)

Senior Management and Boards of Directors (Article 20.9)

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**Level of Government:**

Regional

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**Measures:**

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**Description:**

All existing non-conforming measures of all provinces and territories.

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**Section B**

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**Sector:**

Financial Services

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**Sub-Sector:**

All

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**Obligations Concerned:**

Market Access for Financial Institutions (Article 20.5)

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**Level of Government:**

Regional

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**Description:**

Canada reserves the right to adopt or maintain any measure that is not inconsistent with Canada's obligations under Article XVI of the GATS.

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**Existing Measures:**

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**Sector:**

Financial Services

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**Sub-Sector:**

All

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**Obligations Concerned:**

National Treatment (Article 20.3)

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**Level of Government:**

Central

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**Description:**

With regard to the Canada Mortgage and Housing Corporation and its subsidiaries, Canada reserves the right to adopt or maintain any measure that grants advantages to that entity or any new, reorganised, or transferee entity having similar functions and objectives with respect to housing finance.

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**Existing Measures:**

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## Footnotes

### Footnote 1

For example, partnerships and sole proprietorships are generally not acceptable juridical forms for financial institutions in Canada. This headnote is not itself intended to affect, or otherwise limit, a choice by a financial institution of the other Party between branches or subsidiaries.