

## Frequently Asked Questions

### General

#### Trade in Services

#### 1. **How do Hong Kong's services sectors benefit from the latest liberalization measures under CEPA?**

Broadly speaking, the latest further liberalization measures under CEPA, as in previous phases of CEPA, permit wider accessibility to the Mainland market. The latest liberalization package includes:

- (i) ***further liberalization*** in sectors like accounting services; construction services; medical services; placement and supply services of personnel, printing services, convention and exhibition services; distribution services; social services and maritime transport services;
- (ii) **liberalization in new sectors** such as services incidental to mining and related scientific and technical consulting services (prospecting services for iron, manganese and copper);
- (iii) ***expansion of business scope*** for individually owned stores set up by Hong Kong permanent residents with Chinese citizenship.

The potentials of the Mainland services market would bring considerable opportunities to Hong Kong service providers. All liberalization measures for trade in services in this round are beyond the Mainland's commitments to the WTO and would give companies in Hong Kong a "first mover" advantage. The lowering of entry threshold (門檻降低) in some sectors would facilitate the entry of small and medium-sized enterprises (SMEs) into the Mainland market. Hong Kong companies may capitalise on this "first mover" advantage to strengthen their market position in the Mainland. Furthermore, CEPA expedites the flow of talents and capital, and opens up opportunities for Hong Kong professionals to set up business and develop their career in the Mainland.

**2. Does CEPA also provide for simplification of the application procedures for businessmen starting up business in the Mainland?**

Under CEPA, Hong Kong has reached agreement with the Mainland on promoting cooperation in trade facilitation so as to enhance the transparency of rules and regulations and to foster information exchange.

Supplement V to CEPA has provided for the delegation of approving authority from the Central Government to Guangdong Province for establishment of business in certain sectors including medical services, tourism services, road transportation services and environmental services. This measure will facilitate a lot in helping Hong Kong businessmen setting up business in the Mainland. Moreover, the HKSAR Government, through the liaison mechanism under CEPA and other cooperation mechanisms established at the provincial/municipal level, reflects to the Mainland authorities suggestions for streamlining the application procedures for setting up enterprises. The two sides will continue to exchange views on trade issues of mutual concerns.

**3. Why some services sectors are not included in the latest liberalization measures under CEPA?**

CEPA is an open platform. It provides a mechanism for further liberalization to be included as and when they are agreed by both parties. After almost five years of implementation, the Mainland and the HKSAR Government have already reached several agreements on further liberalization of trade in goods and services. This demonstrates that CEPA's building block approach works well. We would continue to make use of the mechanism under CEPA to discuss with Mainland on further liberalization.

**4. How to obtain information about seeking CEPA preferential treatments from the Mainland, such as application procedures and requirements?**

TID has been providing free information and advisory services to assist Hong Kong services suppliers to obtain CEPA benefits from the Mainland.

To facilitate HKSSs to make their applications to the relevant

Mainland authorities in seeking CEPA preferential treatments, the Trade and Industry Department (TID) has, in collaboration with other bureaux/departments, collated the following reference materials, and promulgated them in its CEPA website ([www.tid.gov.hk/english/cepa/](http://www.tid.gov.hk/english/cepa/)):

- (i) Mainland's general laws and regulations on trade and commerce  
[http://www.tid.gov.hk/english/cepa/businessinfo/cepa\\_reference\\_authority\\_laws.html](http://www.tid.gov.hk/english/cepa/businessinfo/cepa_reference_authority_laws.html)
- (ii) Information Database on CEPA Service Sectors (By Service Sectors)
  - Mainland's laws and regulations
  - Information on the respective approving authorities in the Mainland
  - Easy Guide to Investment in CEPA Service Sectors  
[http://www.tid.gov.hk/english/cepa/tradeservices/trade\\_services\\_requirement.html](http://www.tid.gov.hk/english/cepa/tradeservices/trade_services_requirement.html)
- (iii) Information Database on CEPA Service Sectors (By Province/Municipality)
  - Hyperlinks with around 170 government websites in the Mainland containing CEPA-related information  
[http://www.tid.gov.hk/english/cepa/businessinfo/cepa\\_business.html](http://www.tid.gov.hk/english/cepa/businessinfo/cepa_business.html)
- (iv) Information about agreements on mutual recognition of professional qualification concluded under CEPA  
<http://www.tid.gov.hk/english/cepa/mutual/mutual.html>
- (v) Frequently asked questions (FAQs)  
[http://www.tid.gov.hk/english/cepa/overview\\_faq.html](http://www.tid.gov.hk/english/cepa/overview_faq.html)

HKSSs are also welcome to approach TID [tel: 2398 5667; email: [cepa@tid.gov.hk](mailto:cepa@tid.gov.hk)] for assistance.

**5. Is there information about the implementation of CEPA at the provincial/municipal level on services trade?**

To facilitate Hong Kong service suppliers in enjoying CEPA preferential treatments for services trade, the HKSAR Government has been liaising closely with the Central People's Government as well as the provincial/municipal governments in the Mainland to ensure smooth and effective implementation of CEPA. Some

provincial/municipal governments in the Mainland have put in place facilitating measures for CEPA. For instance, the Guangdong Province, the Beijing Municipality and the Shanghai Municipality have adopted specific trade and investment facilitative measures, including the setting up of CEPA enquiry point, provision of one-stop service and CEPA green channel etc. TID's CEPA website ([http://www.tid.gov.hk/english/cepa/businessinfo/cepa\\_business.html](http://www.tid.gov.hk/english/cepa/businessinfo/cepa_business.html)) has established hyperlinks to around 170 government websites in the Mainland, including CEPA-related websites of various provincial/municipal governments. Interested parties can use these hyperlinks to visit the appropriate Mainland websites.

Moreover, HKSAR Government jointly organized CEPA seminars with the Mainland authorities, which aimed to enhance the understanding of the trade on the procedures and requirements for setting up business in the Mainland under CEPA. Information distributed in the seminars can be retrieved at TID's CEPA website ([http://www.tid.gov.hk/english/cepa/businessinfo/cepa\\_reference.html](http://www.tid.gov.hk/english/cepa/businessinfo/cepa_reference.html)).

6. Is there any channel for companies seeking help from the HKSAR Government if they encounter problems in setting up business in the Mainland under CEPA?

Hong Kong companies or individuals encountering difficulties in setting up operations in the Mainland using CEPA benefits may approach the Trade and Industry Department, Office of the HKSAR Government in Beijing, the Economic and Trade Offices in the Mainland (Guangdong, Shanghai and Chengdu), or the relevant bureaux and departments for assistance. They may also refer their cases to the HKSAR Government through business associations. The HKSAR Government will render assistance to the businesses according to the nature of the problems involved.