

Hong Kong, China's (HKC) Services Commitments and Offers under the World Trade Organisation (WTO) General Agreement on Trade in Services (GATS)

Explanatory notes:

- For the purpose of the GATS, trade in services is defined as the supply of services through any of the following four modes:
 - (a) ***cross border supply (mode 1)***: from the territory of one Member into the territory of any other Member. The service is supplied overseas, but neither the consumer moves nor the supplier establishes itself abroad (e.g. banking or architectural services transmitted via telecommunications or mail);
 - (b) ***consumption abroad (mode 2)***: in the territory of one Member to the service consumer of any other Member (e.g. outbound tourism);
 - (c) ***commercial presence (mode 3)***: by a service supplier of one Member, through commercial presence in the territory of any other Member (e.g. domestic subsidiaries of foreign insurance companies or hotel chains); and
 - (d) ***movement of natural persons (mode 4)***: by a service supplier of one Member, through presence of natural persons of a Member in the territory of any other Member (e.g. employment overseas).

- The specific commitments undertaken by each WTO Member are specified in its consolidated schedule of specific commitments. Such schedule sets out the Member's commitments on ***Market Access*** and ***National Treatment*** in respect of services sectors where commitments have been made.

- ***Market access*** is a negotiated commitment to lock in a minimum level of access to a Member's market in specified sectors. Commitment to market access are presented in the form of limitations, e.g. limitations may be imposed on the number of services suppliers, service operations or employees in the sector; the value of transactions; the legal form of the service supplier; or the participation of foreign capital. Except for conditions or limitations listed in its own schedule, a Member should not maintain any market access restrictions for services sectors that it has undertaken commitments.

- ***National Treatment*** requires each Member to treat the services and service suppliers of any other Member "*no less favourable than it treats its own like services and service suppliers*". A commitment to national treatment implies that the Member concerned does not operate discriminatory measures benefiting domestic services or service suppliers. The national treatment commitment in any particular sector may be made subject to conditions and limitations listed in Member's schedule.

- This document sets out HKC's existing commitments made under the GATS (which became effective when the GATS came into force on 1 January 1995), as well as HKC's initial offer and revised offer tabled to the WTO in April 2003 and June 2005 respectively. **All the offers of HKC are conditional upon the outcome of the negotiations, and the willingness and readiness of the**

negotiation partners to provide offers to our satisfaction. HKC reserves the rights to withdraw or modify our offers in any specific sector, at any time prior to the conclusion of the negotiations.

- HKC does not have any existing commitments, nor does it put forward any offers, for the following sectors: certain professional services including legal services, architectural services, engineering services, etc.; postal services; educational services; social services; sporting services; and air transport services.

I. HORIZONTAL COMMITMENTS

All Sectors Included in HKC's Schedule of Specific commitments

Cross-border supply, consumption abroad and commercial presence

- *Existing commitment:* No market access or national treatment limitations in the cross border, consumption abroad and commercial presence modes of supply other than those specified in the relevant sectors below.

Presence of natural persons

(Coverage: limited to intra-corporate transfer of general managers, senior managers and specialists in the following sectors: business services (accounting, auditing and bookkeeping services; taxation services; computer and related services; advertising services; management consulting services), telecommunication services, financial services and maritime transport services (international transport & rental of vessels with crew))

- *Existing commitment:* Limited to entry and temporary stay subject to conditions met. Prior approval is required. Temporary stay limited to one year for the first entry and may be extended up to a total of five years.
- *No existing commitment* for other categories of natural persons.
- *Initial offer:* Existing commitments expanded to cover the following two sub-sectors: services related to management consulting; placement and supply services of personnel.
- ***Revised offer:* Additional commitment undertaken to enhance the transparency of the existing commitments. Certain information relating to the entry visas/permits for categories of personnel for which market access/national treatment commitments are made, such as the relevant ordinances and regulations and application procedures, will be publicized on the website of the visa/permit issuing authority.**

II. SECTOR-SPECIFIC COMMITMENTS

1. BUSINESS SERVICES

(a) Professional Services

Accounting, auditing and bookkeeping services

(Coverage: limited to auditing and advisory services on matters such as financial management consultancy, company formation and restructuring, raising of capital, debt-rescheduling, receivership and liquidation)

- *Existing commitment:* No market access limitations in the consumption abroad and commercial presence modes of supply, but for the commercial presence mode of supply, the provision of statutory auditing services is limited to natural person licensed as certified public accountants (practising) either as sole proprietors or in partnership. No national treatment limitations in the commercial presence mode of supply.
- *No existing commitment* on market access and national treatment in the cross border mode of supply; and national treatment in the consumption abroad mode of supply.
- *Initial offer:* In respect of market access in the commercial presence mode of supply, the provision of statutory auditing services can also take the form of corporate practices.

Taxation services

(Coverage: excluding legal services and limited to advisory and consulting services on compilation of tax returns, tax planning, review, assessment and back-duty work)

- *Existing commitment:* No market access limitations in the consumption abroad and commercial presence modes of supply. No national treatment limitations in the commercial presence mode of supply.
- *No existing commitment* on market access and national treatment in the cross border mode of supply; and national treatment in the consumption abroad mode of supply.
- *Initial offer:* No market access and national treatment limitations in the cross border mode of supply. No national treatment limitations in the consumption abroad mode of supply.

Urban planning and landscape architectural services

- No existing commitment for this sub-sector.
- ***Revised offer:* No market access and national treatment limitations in the consumption abroad and commercial presence modes of supply, except that to be registered as a professional landscape architect or planner, a person has to have one year's relevant experience in Hong Kong, China before the date of his application for registration, and to be ordinarily resident in Hong Kong, China.**

Medical and dental services

Services provided by midwives, nurses, physiotherapists and para-medical personnel

- No existing commitment for these sub-sectors.
- *Initial offer:* No market access and national treatment limitations in only the consumption abroad mode of supply.

Veterinary services

(Coverage: limited to laboratory services for animals and birds)

- No existing commitment for this sub-sector.
- *Initial offer*: No market access and national treatment limitations in the cross border and consumption abroad modes of supply.

(b) Computer and Related Services

(Coverage: limited to consultancy services related to the installation of computer hardware; software implementation services; and data processing, data preparation and data base services)

- *Existing commitment*: No market access limitations in the cross border, consumption abroad and commercial presence modes of supply. No national treatment limitations in the commercial presence mode of supply.
- *No existing commitment* on national treatment in the cross border and consumption abroad modes of supply.
- No initial offer on these sub-sectors.

(c) Real Estate Services

- *Existing commitment*: No market access limitations in the consumption abroad and commercial presence modes of supply. No national treatment limitations in the commercial presence mode of supply.
- *No existing commitment* on market access and national treatment in the cross border mode of supply; and national treatment in the consumption abroad mode of supply.
- *Initial offer*: No market access and national treatment limitations in the cross border mode of supply. No national treatment limitations in the consumption abroad mode of supply.

(d) Rental/Leasing Services Without Operators

Relating to ships

- *Existing commitment*: No market access limitations in the consumption abroad and commercial presence modes of supply. No national treatment limitations in the commercial presence mode of supply.
- *No existing commitment* on market access and national treatment in the cross border mode of supply; and national treatment in the consumption abroad mode of supply.
- *Initial offer*: No market access and national treatment limitations in the cross border mode of supply. No national treatment limitations in the consumption abroad mode of supply.

Relating to other transport equipment (excluding services relating to air transport)

Relating to other machinery and equipment (excluding transport equipment)

- *Existing commitment*: No market access limitations in the consumption abroad

and commercial presence modes of supply. No national treatment limitations in the commercial presence mode of supply.

- *No existing commitment* on market access and national treatment in the cross border mode of supply; and national treatment in the consumption abroad mode of supply.
- No initial offer on this sub-sector.

(e) Other Business Services

Advertising services

- *Existing commitment*: No market access limitations in the cross border and consumption abroad and commercial presence modes of supply. No national treatment limitation in the commercial presence mode of supply.
- *No existing commitment* on national treatment in the cross border and consumption abroad modes of supply.
- *Initial offer*: No national treatment limitations in the cross border and consumption abroad modes of supply.

Market research and public opinion polling services

Maintenance and repair of equipment (not including maritime vessels, aircraft or other transport equipment)

Photographic services

Translation and interpretation services

- *Existing commitment*: No market access limitations in the consumption abroad and commercial presence modes of supply. No national treatment limitations in the commercial presence mode of supply.
- *No existing commitment* on market access and national treatment in the cross border mode of supply; and national treatment in the consumption abroad mode of supply.
- No initial offer on this sub-sector.

Management consulting services

Services incidental to agriculture and forestry

(Coverage: limited to provision of advice and guidance relating to crop, livestock and forestry management)

Services incidental to fishing

(Coverage: limited to the provision of advice and guidance relating to marine or freshwater fisheries and fish hatchery services)

Exhibition management services

(Coverage: limited to activities relating to planning, organizing, managing and marketing services for exhibitions, convention and similar events)

- *Existing commitment*: No market access limitations in the consumption abroad and commercial presence modes of supply. No national treatment limitations in the commercial presence mode of supply.
- *No existing commitment* on market access and national treatment in the cross border mode of supply; and national treatment in the consumption abroad mode of supply.

- *Initial offer:* No market access and national treatment limitations in the cross border mode of supply. No national treatment limitations in the consumption abroad mode of supply.

Services relating to management consulting

(Coverage: project management services other than for construction, and arbitration and conciliation services)

Technical testing and analysis services

(Coverage: testing and analysis services of physical properties and integrated mechanical and electrical systems, and technical inspection services)

Services incidental to manufacturing

(Coverage: limited to consulting services in respect of manufacturing on a fee or contract basis, assembly, installation, maintenance and repair services etc.)

Placement and supply services of personnel

Printing, publishing services

- No existing commitment for these sub-sectors.
- *Initial offer:* No market access and national treatment limitations in the cross border, consumption abroad and commercial presence modes of supply.

Investigation services

Security services

- No existing commitment for these sub-sectors.
- *Initial offer:* No market access and national treatment limitation in the cross border, consumption abroad and commercial presence modes of supply, but in respect of security services, market access in commercial presence mode of supply is subject to the requirement that the service supplier may only provide the service in the form of a company.

Building cleaning services

- *Existing commitment:* No market access limitations in the consumption abroad and commercial presence modes of supply. No national treatment limitations in the commercial presence mode of supply.
- *No existing commitment* on market access and national treatment in the cross border mode of supply; and national treatment in the consumption abroad mode of supply.
- *Initial offer:* No national treatment limitations in the consumption abroad mode of supply.

Packaging services

- No existing commitment for this sub-sector.
- *Initial offer:* No market access and national treatment limitations in the consumption abroad and commercial presence modes of supply.

2. COMMUNICATION SERVICES

(a) Courier Services

(Coverage: limited to the provision of services on a fee or contract basis for the delivery of documents and parcels, but excluding services reserved to the Post Office under the Post Office Ordinance)

- *Existing commitment:* No market access limitations in the consumption abroad and commercial presence modes of supply. No national treatment limitations in the commercial presence mode of supply.
- *No existing commitment* on market access and national treatment in the cross border mode of supply; nor on national treatment in the consumption abroad mode of supply.
- No initial offer on this sub-sector.

(b) Telecommunication Services

Local Services

(Coverage: voice services; packet-switched data transmission services; circuit-switched data transmission services; facsimile services; private leased circuit services; and mobile services (mobile radio telephone services including Cellular and Personal Communications Services, mobile data services, and radio paging services))

- *Existing commitment:* No market access limitations in the cross border, consumption abroad and commercial presence modes of supply, but for the commercial presence mode of supply –
 - Chubb Electronics (HK) Ltd has the exclusive right for providing a fire alarm signals between Fire Services Department and public buildings; and
 - Four licences for local fixed network services were issued in 1995. New licences will not be considered before June 1998. Whether more licences will be issued thereafter is subject to review in 1998.No national treatment limitations in the cross border, consumption abroad and commercial presence modes of supply. Other than market access and national treatment commitments, some additional commitments have undertaken on regulatory principles.
- *Initial offer:* To expand the coverage of the existing commitments to include telex services and telegraph services as well. To remove the two market access restrictions in the commercial presence mode of supply as specified above.

International Services

(Coverage: voice services; packet-switched data transmission services; circuit-switched data transmission services; facsimile services; call back services or alternative calling procedures; self provision of external satellite circuits for certain messages for companies/organizations; virtual private network service, and mobile satellite service)

- *Existing commitment:* No market access limitations in the cross border, consumption abroad and commercial presence modes of supply, except that for the cross border and commercial presence modes of supply –
 - Public external telephone service is not allowed;

- For self-provision of external satellite circuits, connection to the public switched telephone network (PSTN) at the Hong Kong end may be restricted;
- For virtual private network service, connection to the PSTN at the Hong Kong end may be restricted; and
- For mobile satellite service, gateway station for mobile satellite traffic is not allowed.

No national treatment limitations in the cross border, consumption abroad and commercial presence modes of supply.

- No initial offer on this sub-sector.

Value-added Services

(Coverage: limited to public services accessed by its subscribers via, and offered over, circuits provided by public telecommunications transport network services and are limited to electronic mail, on-line information and data base access and retrieval (including data processing or transaction processing), store and forward facsimile services, videotex and teletex, code, protocol and/or format conversion, voice mail and electronic data interchange (only between private companies))

- *Existing commitment*: No market access limitations in the consumption abroad and commercial presence modes of supply, other than that commercial presence must take the form of a company. No national treatment limitations in the commercial presence mode of supply.
- *No existing commitment* on market access and national treatment in the cross border mode of supply; and national treatment in the consumption abroad mode of supply.
- *Initial offer*: No market access and national treatment limitations in the cross border mode of supply. In respect of market access in the commercial presence mode of supply, the restrictions on the form of commercial presence will be removed. No national treatment limitations in the consumption abroad mode of supply. The coverage of the services will be expanded to cover electronic mail; voice mail; on-line information and data base access and retrieval; electronic data interchange; enhanced/value-added facsimile services, including store and forward, store and retrieve; videotex and teletex, code, protocol and/or format conversion; and on-line information and/or data processing (including transaction processing).

(c) Audiovisual Services

(Coverage: limited to motion picture and video tape production and distribution services)

- *Existing commitment*: No market access limitations in the cross border, consumption abroad and commercial presence modes of supply. No national treatment limitations in the commercial presence mode of supply.
- *No existing commitment* on national treatment in the cross border and consumption abroad modes of supply.
- *Initial offer*: No national treatment limitations in the cross border and consumption abroad modes of supply for existing commitments. To expand the coverage to include motion picture projection services in cinemas. No market access and national treatment limitations in the cross border, consumption abroad and commercial presence modes of supply for the new services.

3. CONSTRUCTION AND RELATED ENGINEERING SERVICES

(a) Building Completion and Finishing Work

(Coverage: limited to specialized consulting services related to the post-construction design and fitting out of interior living and working spaces)

(b) Others

(Coverage: limited to project management services in respect of the supervision and coordination of construction projects, but do not cover engineering or architectural services)

- *Existing commitment*: No market access limitations in the consumption abroad and commercial presence modes of supply. No national treatment limitations in the commercial presence mode of supply.
- *No existing commitment* on market access and national treatment in the cross border mode of supply; and national treatment in the consumption abroad mode of supply.
- *Initial offer*: No national treatment limitations in the consumption abroad mode of supply.

4. DISTRIBUTION SERVICES

(a) Wholesale trade services

(Coverage: all products excluding (1) certain agricultural raw materials, live animals and food products and (2) pharmaceutical and medical goods, surgical and orthopaedic instruments and devices)

- No existing commitment for this sub-sector.
- *Initial offer*: No market access and national treatment limitations in the cross border, consumption abroad and commercial presence modes of supply; for fishery products, only offered to maintain no market access and national treatment limitations in the consumption abroad mode of supply.

(b) Retailing services

(Coverage: limited to the resale of certain new and used consumer goods to the general public which are normally used for final personal or household consumption or utilization, by department stores, shops, consumer co-operative and auction houses)

- *Existing commitment*: No market access limitations in the consumption abroad and commercial presence modes of supply. No national treatment limitations in the commercial presence mode of supply.
- *No existing commitment* on market access and national treatment in the cross border mode of supply; nor on national treatment in the consumption abroad mode of supply.
- *Initial offer*: scope expanded to cover all products but exclude all pharmaceutical, medical, surgical and orthopaedic products. Offered to maintain no market access and national treatment limitations in the cross border mode of supply; and no national treatment limitations in the consumption abroad mode of supply.

5. ENVIRONMENTAL SERVICES

(a) Sewage services

(b) Refuse disposal services

(Coverage: limited to collection services of garbage, trash, rubbish and waste from households)

(c) Sanitation and similar services

(d) Others

(Coverage: limited to cleaning services of exhaust gas, noise abatement services, nature and landscape protection services and other environment services)

- No existing commitment for these sub-sectors.
- *Initial offer*: No market access and national treatment limitations in the cross-border, consumption abroad and commercial presence modes of supply.

6. FINANCIAL SERVICES

(Coverage of commitments: all commitments made with respect to the cross border and consumption abroad modes of supply do not signify a commitment to allow a service supplier from the territory of another Member to solicit business or to conduct marketing in the HKSAR.)

(a) All Insurance and Insurance-related Services

Life, accident and health insurance services; and non-life insurance services

- *Existing commitment*: No market access limitations in the consumption abroad and commercial presence modes of supply, other than that –
 - for the consumption abroad mode of supply, statutory insurances which include third party liability in respect of vehicles and vessels and employer's liability insurance in respect of employees must be purchased from an insurer authorized in HKSAR; and
 - for the commercial presence mode of supply, only a company or an association of underwriters is permitted to carry on insurance business. In the case of the former, commercial presence must take the form of a subsidiary, branch or representative office, although insurance business may not be carried out through a representative office.No national treatment limitations in the commercial presence mode of supply, other than that the chief executive appointed by the authorized insurer should normally reside in HKSAR.
- *No existing commitment* on market access and national treatment in the cross border mode of supply; and national treatment in the consumption abroad mode of supply.
- No initial offer on both sub-sectors.

Reinsurance and retrocession

- *Existing commitment*: No market access limitations in the cross border, consumption abroad and commercial presence modes of supply, other than that –

- for the cross border mode of supply, insurance company has to be a company incorporated outside HKSAR and has no agent nor place of business in HKSAR; and
- for the commercial presence mode of supply, only a company or an association of underwriters is permitted to carry on insurance business. In the case of the former, commercial presence must take the form of a subsidiary, branch or representative office, although insurance business may not be carried out through a representative office.

No national treatment limitations in the commercial presence mode of supply, other than that the chief executive appointed by the authorized insurer should normally reside in HKSAR.

- *No existing commitment* on national treatment in the cross border and consumption abroad modes of supply.
- No initial offer on this sub-sector

Services auxiliary to insurance (including broking and agency services)

- *Existing commitment:* No market access limitations in the cross border, consumption abroad and commercial presence modes of supply, but in respect of claim settlement services, commitments in the cross border mode of supply are only limited to settlement of claims under contracts of goods in transit insurance entered into wholly outside HKSAR in respect of goods consigned to HKSAR. No national treatment limitations in the commercial presence mode of supply.
- *No existing commitment* on national treatment in the cross border and consumption abroad modes of supply.
- No initial offer on this sub-sector

(b) Banking and Other Financial Services (excluding insurance)

Acceptance of deposits and other repayable funds from the public

- *Existing commitment:* No market access limitations in the consumption abroad and commercial presence modes of supply, but for the commercial presence mode of supply, it must take the following forms:
 - Banks incorporated overseas may apply for a licence to operate a full licensed bank or a restricted licence bank in the form of a branch subject to their fulfillment of certain conditions;
 - Limited companies incorporated by overseas banks in HKSAR may apply for a licence to operate as a full licensed bank, restricted licence bank or deposit taking company in the form of a subsidiary with branching rights. In the case of an application for a full banking licence, certain conditions need to be fulfilled by the institution; and
 - Banks incorporated overseas may set up representative offices in HKSAR, but such offices are prohibited from taking deposits and undertaking banking business in general.

No national treatment limitations in the commercial presence mode of supply, other than that all authorized institutions must appoint a chief executive and not less than one alternative chief executive, who must normally reside in HKSAR.

- *No existing commitment* on market access and national treatment in the cross

border mode of supply; and national treatment in the consumption abroad mode of supply.

- *Initial offer*: On market access in the commercial presence mode of supply, the requirements applicable for those licence applications to operate a full licensed bank or a restricted licence bank in the form of a branch; and to operate as a full licensed bank, restricted licence bank or deposit taking company in the form of a subsidiary with branching rights will be removed. But, in the case of an overseas bank seeking to establish a locally incorporated full licensed bank, the bank must have maintained a locally incorporated restricted licence bank or deposit taking company (or any combination thereof) in HKSAR for at least 3 continuous years.

Lending of all types, including consumer credit, mortgage credit, factoring and financing of commercial transaction

All payment and money transmission services

Asset management, such as cash or portfolio management, all forms of collective investment management, pension fund management, custodial depository and trust services

- *Existing commitment*: No market access limitations in the consumption abroad and commercial presence modes of supply. No national treatment limitations in the commercial presence mode of supply.
- *No existing commitment* on market access and national treatment in the cross border mode of supply, and national treatment in the consumption abroad mode of supply.
- No initial offer on these three sub-sectors.

Financial leasing

Guarantees and commitments

Provision and transfer of financial information, and financial data processing and related software by providers of other financial services

- *Existing commitment*: No market access limitations in the cross border, consumption abroad and commercial presence modes of supply. No national treatment limitations in the commercial presence mode of supply.
- *No existing commitment* on national treatment in the cross border and consumption abroad modes of supply.
- No initial offer on these three sub-sectors.

Trading for own account or for account of customers, whether on an exchange, in an over-the-counter market or otherwise, money market instruments, foreign exchange, derivative products including futures and options, exchange rate and interest rate instruments, and transferable securities

- *Existing commitment*: No market access limitations in the consumption abroad and commercial presence modes of supply, but for the commercial presence of mode of supply –
 - Only corporations incorporated in HKSAR, or natural person born in HKSAR or resident in HKSAR for five of the preceding seven years, or partnerships composed of such persons, may become members of the Stock Exchange of Hong Kong Limited; and

- Only corporations incorporated in HKSAR may become members of the Hong Kong Futures Exchange.

No national treatment limitations in the commercial presence mode of supply, other than that for dealing in securities or commodities futures, there is a residence requirement in HKSAR in respect of a sole proprietor, or, in the case of a partnership or company, in respect of at least one partner or director, who is registered as a dealer.

- *No existing commitment* on market access and national treatment in the cross border mode of supply, and national treatment in the consumption abroad mode of supply.
- No initial offer on this sub-sector.

Participation in issues of all kinds of securities, including underwriting and placement as agent and provision of services related to such issues

- *Existing commitment*: No market access limitations in the consumption abroad and commercial presence modes of supply. No national treatment limitations in the commercial presence mode of supply, other than that if registration as a dealer is required, as it is in the case of public issues, the limitations as for dealers shall apply.
- *No existing commitment* on market access and national treatment in the cross border mode of supply, and national treatment in the consumption abroad mode of supply.
- No initial offer on this sub-sector.

Advisory and other auxiliary financial services, including credit reference and analysis, investment and portfolio research and advice, advice on acquisitions and on corporate restructuring and strategy

- *Existing commitment*: No market access limitations in the cross border, consumption abroad and commercial presence modes of supply, but for the cross border mode of supply, commodity trading and investment advisory services are not included in the commitments. No national treatment limitations in the commercial presence mode of supply.
- *No existing commitment* on national treatment in the cross border and consumption abroad modes of supply.
- No initial offer on this sub-sector.

7. HEALTH RELATED AND SOCIAL SERVICES

(a) Hospital services

(b) Other human health service

(Coverage: services in the field of morphological or chemical pathology, bacteriology, virology, immunology etc.)

- No existing commitment for these sub-sectors.
- *Initial offer*: No market access and national treatment limitations in the consumption abroad mode of supply only. *No offer* on market access and national treatment in the cross border and commercial presence modes of supply.

8. TOURISM AND TRAVEL RELATED SERVICES

(a) Hotel and Restaurants (including Catering)

Hotel services

- *Existing commitment:* No market access limitations in the consumption abroad and commercial presence modes of supply. No national treatment limitations in the commercial presence mode of supply.
- *No existing commitment* on market access and national treatment in the cross border mode of supply; and national treatment in the consumption abroad mode of supply.
- *Initial offer:* No market access and national treatment limitations in the cross border mode of supply. No national treatment limitations in the consumption abroad mode of supply.

Other lodging services

(Coverage: children's holiday camp services, holiday center & holiday home services, letting services of furnished accommodation, youth hostel, camping services etc.)

- No existing commitment in this sub-sector.
- *Initial offer:* No market access limitations in the consumption abroad and commercial presence modes of supply. No national treatment limitations in the commercial presence mode of supply. *No offer* on market access and national treatment in the cross border mode of supply; and national treatment in the consumption abroad mode of supply.

Restaurant and catering services

- *Existing commitment:* No market access limitations in the consumption abroad and commercial presence modes of supply. No national treatment limitations in the commercial presence mode of supply.
- *No existing commitment* on market access and national treatment in the cross border mode of supply; and national treatment in the consumption abroad mode of supply.
- No initial offer on this sub-sector.

(b) Travel Agencies and Tour Operator Services

(Coverage: limited to the business of obtaining for clients carriage and/or accommodation outside HKC and the provision of related services such as furnishing of travel information, advice and planning)

- *Existing commitment:* No market access limitations in the consumption abroad and commercial presence modes of supply. No national treatment limitations in the commercial presence mode of supply.
- *No existing commitment* on market access and national treatment in the cross border mode of supply; and national treatment in the consumption abroad mode of supply.

- *Initial offer:* No market access and national treatment limitations in the cross border mode of supply. No national treatment limitations in the consumption abroad mode of supply.

9. RECREATIONAL, CULTURAL AND SPORTING SERVICES

(a) Entertainment Services

(Coverage: limited to theatrical producer, singer group, band and orchestra entertainment services and ancillary theatricals services)

- No existing commitment for this sub-sector.
- *Initial offer:* No market access and national treatment limitations in the cross border, consumption abroad, commercial presence modes of supply.

(b) Libraries, Archives, Museums and Other Cultural Services

(Coverage: limited to library and archives services)

- *Existing commitment:* No market access limitations in the consumption abroad and commercial presence modes of supply. No national treatment limitations in the commercial presence mode of supply.
- *No existing commitment* on market access and national treatment in the cross border mode of supply; and national treatment in the consumption abroad mode of supply.
- No initial offer on this sub-sector.

10. TRANSPORT SERVICES

(a) Maritime Transport Services

International transport (excluding passenger transport and cabotage transport)

- *Existing commitment:* No market access limitations in the cross border, consumption abroad and commercial presence modes of supply. No national treatment limitations in the commercial presence mode of supply other than that the income derived from international operation of ships registered in the Hong Kong Shipping Register is exempted from Hong Kong's profits tax. Additional commitment to make available certain port services to international transport service suppliers on reasonable and non-discriminatory terms and conditions.
- *No existing commitment* on national treatment in the cross border and the consumption abroad modes of supply.
- *Initial offer:* No national treatment limitations in the cross border and the consumption abroad modes of supply.

Maritime Auxiliary Services

Rental of vessel with crew

(Coverage: limited to services of hiring a vessel with crew under charter party terms for a voyage or period of time)

- *Existing commitment:* No market access limitations in the consumption abroad and commercial presence modes of supply. No national treatment limitations in the commercial presence mode of supply other than that the income derived from international operation of ships registered in the Hong Kong Shipping Register is exempted from Hong Kong's profits tax.
- *No existing commitment* on market access and national treatment in the cross border mode of supply; nor on national treatment in the consumption abroad mode of supply.
- *Initial offer:* No market access and national treatment limitations in the cross border mode of supply. No national treatment limitations in the consumption abroad mode of supply.

Maritime cargo handling services

(Coverage: limited to activities exercised by stevedore companies. The activities covered include the organization and supervision of the loading/discharging of cargo to/from a ship; the lashing/unlashing of cargo, and the reception/delivery and safekeeping of cargoes before shipment or after discharge)

- *Existing commitment:* No market access limitations in the consumption abroad and commercial presence modes of supply. No national treatment limitations in the commercial presence mode of supply.
- *No existing commitment* on market access and national treatment in the cross border mode of supply; nor on national treatment in the consumption abroad mode of supply.
- *Initial offer:* No market access and national treatment limitations in the cross border mode of supply **only** on trans-shipment (board to board or via the quay) and/or on the use of on-board cargo handling equipment. No national treatment limitations in the consumption abroad mode of supply.

Storage and warehousing services

(Coverage: limited to the movement or placing of goods from warehouse to vessels or vice versa)

Customs clearance services

(Coverage: limited to activities consisting of carrying out on behalf of another party customs formalities concerning import, export or through transport of cargoes, whether this service is the main activity of the service provider or a usual complement of its main activity)

Container station and depot services

(Coverage: limited to activities consisting of storing containers, whether in port areas or inland, with a view to their stuffing/stripping, repairing and making them available for shipment)

- *Existing commitment:* No market access limitations in the consumption abroad and commercial presence modes of supply. No national treatment limitations in the commercial presence mode of supply.
- *No existing commitment* on market access and national treatment in the cross-border mode of supply; nor on national treatment in the consumption abroad mode of supply.
- *Initial offer:* No national treatment limitations in the consumption abroad mode of supply.

Maritime agency services

(Coverage: limited to activities consisting of representing, within a given geographic area, as an agent the business interest of one or more shipping lines or shipping companies for marketing and sales of maritime transport and related services and for acting on behalf of the companies organizing the call of the ship or taking over cargoes when required)

Maintenance and repair of vessels

(Coverage: limited to businesses related to maintenance and repair of ocean going vessels at anchor or alongside and maintenance and repair of local vessels)

- *Existing commitment:* No market access limitations in the consumption abroad and commercial presence modes of supply. No national treatment limitations in the commercial presence mode of supply.
- *No existing commitment* on market access and national treatment in the cross border mode of supply; nor on national treatment in the consumption abroad modes of supply.
- *Initial offer:* No market access and national treatment limitations in the cross border mode of supply. No national treatment limitations in the consumption abroad mode of supply.

Maritime freight forwarding services

(Coverage: limited to the activities consisting of organising and monitoring shipment operations on behalf of shippers, through the acquisition of transport and related services, preparation of documentation and provision of business information.)

Preshipment inspection services

(Coverage: limited to services performed on a fee or contract basis involved in the verification of quality, quantity, price (including currency, exchange rate and financial terms), and/or the customs classification of goods to be exported. Customs or quarantine inspection is not included.)

- No existing commitment for these sub-sectors.
- **Revised offer: No market access and national treatment limitations in the cross border, consumption abroad, and commercial presence modes of supply.**

(b) Rail Transport Services

Freight transportation

- No existing commitment for this sub-sector.
- **Revised offer: No market access and national treatment limitations in the consumption abroad mode of supply.**

(c) Road Transport Services

Freight transportation

- No existing commitment for this sub-sector.

- ***Revised offer:*** No market access and national treatment limitations in the cross border, consumption abroad, and commercial presence modes of supply.

*Multilateral Division
Trade and Industry Department
June 2005*