## Annex 4

## Specific Commitments on Liberalization of Trade in Services

1. Pursuant to the Mainland and Hong Kong Closer Economic Partnership Arrangement (hereinafter referred to as the "CEPA"), the Mainland and Hong Kong Special Administrative Region have concluded this Annex on the specific commitments on liberalization of trade in services.

2. As from 1 January 2004, the Mainland will apply to services and service suppliers of Hong Kong the specific commitments set out in Table 1 of this Annex. Table 1 forms an integral part of this Annex. The commitments on value-added telecommunications services will apply as from 1 October 2003.

3. In respect of the service sectors, sub-sectors or relevant measures not covered by this Annex, the Mainland will apply Annex 9 of the "Schedule of Specific Commitments on Services List of Article II MFN Exemptions" of the "Protocol on the Accession of the People's Republic of China".

4. In respect of the implementation of the specific commitments set out in Table 1 of this Annex, apart from applying the provisions of this Annex, the relevant laws and regulations, and administrative regulations of the Mainland should also be applicable.

5. As from 1 January 2004, Hong Kong will not impose any new discriminatory measures on Mainland's services and service suppliers in the areas of services covered in Table 1 of this Annex.

6. The two sides will, through consultations, formulate and implement further liberalization of Hong Kong's service sectors for the Mainland. The relevant specific commitments will be listed in

Table 2. Table 2 forms an integral part of this Annex.

7. The two sides will, through consultations, formulate and implement specific commitments of Hong Kong in relation to Mainland people obtaining professional qualifications of Hong Kong.

8. In the event that the implementation of this Annex causes substantial impact on the trade and relevant sectors of either side, the two sides will conduct consultations on the relevant provisions of this Annex at the request of either side.

9. This Annex will come into effect on the day of signature by the representatives of the two sides.

Signed in duplicate in Hong Kong, this 29<sup>th</sup> day of September 2003 in the Chinese language.

Vice Minister of Commerce People's Republic of China Financial Secretary Hong Kong Special Administrative Region of the People's Republic of China

(signature)

(signature)

Table 1

The Mainland's Specific Commitments on Liberalization of Trade in Services for Hong Kong<sup>1</sup>

Sectors sub-sectors	or 1. Business services
	A. Professional services
	a. Legal services (CPC861)
Specific commitments	<ul> <li>1. To allow Hong Kong law firms (offices) that have set up representative offices in the Mainland to operate in association with Mainland law firms, except in the form of partnership. Hong Kong lawyers participating in such association may not handle matters of Mainland law.</li> <li>2. To allow Mainland law firms to employ Hong Kong legal practitioners<sup>2</sup>. Such practitioners who are employed by Mainland law.</li> </ul>
	3. To allow the 15 Hong Kong lawyers who have already acquired Mainland lawyer qualifications to intern and practise on non-litigation legal work in the Mainland.

<sup>&</sup>lt;sup>1</sup> Sectoral classification is based on WTO's GATS Services Sectoral Classification List (GNS/W/120). For the contents of the sectors, reference is made to the relevant CPC, United Nations Provisional Central Product Classification.

<sup>&</sup>lt;sup>2</sup> In this Annex, Hong Kong legal practitioners refer to solicitors and barristers of Hong Kong.

4. To allow Hong Kong permanent residents with Chinese citizenship to sit the legal qualifying examination in the Mainland and acquire Mainland legal professional qualification in accordance with the "State Judicial Examination Implementation Measures".
5. To allow those who have acquired Mainland legal professional qualification under item 4 above to engage in non-litigation legal work in Mainland law firms in accordance with the "Law of the People's Republic of China on Lawyers".
6. The minimum residency requirement is waived for all Hong Kong representatives stationed in the Mainland representative offices of Hong Kong law firms (offices) located in Shenzhen and Guangzhou. For the Hong Kong representatives stationed in the Mainland representative offices of Hong Kong law firms (offices) located in places other than Shenzhen and Guangzhou, their minimum residency requirement is 2 months each year.

Sectors sub-sectors	or	<ul> <li>1. Business services</li> <li>A. Professional services</li> <li>b. Accounting, auditing and bookkeeping</li> </ul>
		services (CPC862)
Specific commitments		<ol> <li>Hong Kong accountants who have already qualified as Chinese Certified Public Accountants (CPAs) and practised in the Mainland (including partnership) are treated on par with Chinese CPAs in respect of the requirement for annual residency in the Mainland.</li> <li>The validity period of the "Temporary Auditing Business Permit" applied by Hong Kong accounting firms to conduct temporary auditing services in the Mainland is 1 year.</li> </ol>

Sectors sub-sectors	or	1. Business services
		A. Professional services
		d. Architectural services (CPC8671)
		e. Engineering services (CPC8672)
		f. Integrated engineering services (CPC8673)
		g. Urban planning and landscape architectural services (except general urban planning) (CPC8674)
Specific commitments		To allow Hong Kong service suppliers to provide, in the form of wholly-owned operations, architectural services, engineering services, integrated engineering services, urban planning and landscape architectural services in the Mainland. <sup>1</sup>

<sup>&</sup>lt;sup>1</sup> Hong Kong service suppliers may set up wholly-owned engineering consultancy companies in the Mainland to provide the above services.

Sectors sub-sectors	or 1. Business services
	A. Professional services
	h. Medical and dental services (CPC9312)
Specific commitments	1. The majority of medical personnel employed by Hong Kong-Mainland joint venture hospitals or clinics can be Hong Kong permanent residents.
	2. The maximum duration of the licence to provide short-term medical, dental and Chinese medicine services in Mainland is 3 years for practitioners who are legally eligible to practise in the Hong Kong Special Administrative Region. On expiry, the licence for short term practice is renewable.
	3. To allow Hong Kong permanent residents, who have acquired a medical degree from the University of Hong Kong, or the Chinese University of Hong Kong, and who are legally eligible to practise in Hong Kong and have completed 1 year internship in Hong Kong, to sit the Mainland's qualification examination. A "medical practitioner's qualification certificate" of the Mainland will be issued to those who pass the examination.

4. To allow Hong Kong permanent residents who have acquired a dental degree from the University of Hong Kong and who are legally eligible to practise in Hong Kong and have practised for more than 1 year to sit the Mainland's qualification examination. A "medical (dental) practitioner's qualification certificate" of the Mainland will be issued to those who pass the examination.
5. To allow Hong Kong permanent residents in possession of a medicine higher degree from a full-time tertiary institution approved by the Education Administration Department of the Mainland State Council to sit the Mainland's qualification examination after they have passed the Hong Kong qualification examination, and after they have completed one year of internship and become legally eligible to practise in Hong Kong. A "medical practitioner's qualification certificate" of the Mainland will be issued to those who pass the examination.
6. To allow Hong Kong permanent residents in possession of a dental higher degree from a full-time tertiary institution approved by the Education Administration Department of the Mainland State Council to sit the Mainland's dental qualification examination after they have become legally eligible to practise through examination in Hong Kong and after they have been licensed to practise for over one year. A "medical (dental) practitioner's qualification certificate" of the Mainland will be issued to those who pass the examination.

7. Kong permanent residents Hong in possession of a medicine or dental higher dearee from a full-time tertiary institution approved by the Education Administration Department of the Mainland State Council may sit the Mainland's qualification examination in accordance with paragraphs 5 and 6 above. They may also sit the Mainland's qualification examination after they have completed one year's internship in the Mainland and passed an assessment in accordance with the relevant requirements. A "medical (or medical (dental)) practitioner's qualification certificate" of the Mainland will be issued to those who pass the examination. 8. To allow Hong Kong permanent residents who have acquired a Chinese medicine degree from the Chinese University of Hong Kong or the Hong Kong Baptist University and are legally eligible to practise in Hong Kong to sit the Mainland's qualification examination on the condition that they have completed 1 year's internship in a third-level traditional Chinese medicine hospital in the Mainland and have passed the performance test; or that they have been practising in Hong Kong for more than 1 year. A "medical (traditional Chinese medicine) practitioner's qualification certificate" of the Mainland will be issued to those who pass the examination.

To allow Hong Kong permanent residents 9. who are in possession of a Chinese medicine higher degree from a full-time tertiary institution approved by the Education Administration Department of the Mainland State Council to sit the Mainland's medical qualification examination after they have become legally eligible to practise in Hong Kong for over one year through the Chinese medicine qualification examination for one year. They may also sit the Mainland's medical gualification examination after they have completed one year of internship in the Mainland and passed an assessment in accordance with the relevant requirements. Α (traditional Chinese medicine) "medical practitioner's qualification certificate" of the Mainland will be issued to those who pass the examination. 10. The categories of medical qualification examinations that Hong Kong permanent residents may apply to sit are clinical medicine, traditional Chinese medicine and dental medicine.

Sectors sub-sectors	or 1. Business services
	D. Real estate services
	a. Real estate services involving own or leased property (CPC821)
	<ul> <li>b. Real estate services on a fee or contract basis (CPC822)</li> </ul>
Specific commitments	1. To allow Hong Kong service suppliers to provide, in the form of wholly-owned operations, high standard real estate project services in the Mainland. <sup>1</sup>
	2. To allow Hong Kong service suppliers to provide, in the form of wholly-owned operations, real estate services on a fee or contract basis in the Mainland.

<sup>&</sup>lt;sup>1</sup> High standard real estate projects refer to the real estate projects with construction costs per unit two times more than the average construction costs per unit in the same city.

Sectors or sub-sectors	or	1. Business services
		F. Other business services
		a. Advertising services (CPC871)
Specific commitments		To allow Hong Kong service suppliers <sup>1</sup> to set up wholly-owned advertising firms in the Mainland.

<sup>&</sup>lt;sup>1</sup> In this sector, a Hong Kong service supplier must be an enterprise juridical person engaging in advertising services (but not necessarily as its principal business).

Sectors sub-sectors	or 1. Business services
	F. Other business services
	c. Management Consulting services (CPC86501, 86502, 86503, 86504, 86505, 86506, 86509)
Specific commitments	<ol> <li>To allow Hong Kong service suppliers to provide, in the form of wholly-owned operations, management consulting services, including general management consulting services, financial management consulting services (except business tax), marketing management consulting services, human resource management consulting services, production management consulting services, public relations services and other management consulting services in the Mainland.</li> <li>The minimum registered capital requirement for Hong Kong service suppliers providing management consulting services in the Mainland follows the requirements in the "Company Law of the People's Republic of China".</li> </ol>

Sectors sub-sectors	or	1. Business services
		F. Other business services
		Convention services and exhibition services (CPC87909)
Specific commitments		To allow Hong Kong service suppliers to provide, in the form of wholly-owned operations, convention services and exhibition services in the Mainland. <sup>1</sup>

<sup>&</sup>lt;sup>1</sup> Excluding exhibitions outside the Mainland.

Sectors sub-sectors	or 2. Communications services
	C. Telecommunications services
	Valued-added services
Specific commitments	<ul> <li>1. As from 1 October 2003, to allow Hong Kong service suppliers to set up joint venture enterprises in the Mainland to provide the following five types of value-added telecommunications services<sup>1</sup>: <ul> <li>(1) internet data centre services;</li> <li>(2) store and forward services;</li> <li>(3) call centre services;</li> <li>(4) internet access services;</li> <li>(5) content services.</li> </ul> </li> <li>2. Hong Kong service suppliers' shareholding in the joint venture enterprises engaging in the value-added telecommunications services mentioned in item 1 above should not exceed 50%.</li> <li>3. There will be no geographic restriction for the joint venture enterprises formed by Hong Kong service suppliers and the Mainland to provide value-added telecommunications services mentioned in item 1 above.</li> </ul>

<sup>&</sup>lt;sup>1</sup> To implement in accordance with the Mainland's "Telecommunication business classification".

Sectors of sub-sectors	or 2. Communications services
	D. Audiovisual services
	Videos distribution services (CPC83202), Sound recording products distribution services
	Cinema theatre services
	Chinese language motion pictures and motion pictures jointly produced
Specific commitments	Videos, sound recording products distribution services
	<ol> <li>To allow Hong Kong service suppliers to provide, in the form of joint venture, videos and sound recording products (including motion picture products) distribution services in the Mainland.<sup>1</sup></li> </ol>
	<ol> <li>To allow majority shareholding, not exceeding 70%, for Hong Kong service suppliers.</li> </ol>
	Cinema theatre services
	<ol> <li>To allow Hong Kong service suppliers to construct, renovate and operate cinema theatres on an equity joint venture or contractual joint venture basis.</li> </ol>
	2. To allow majority shareholding, not exceeding 75%, for Hong Kong service

<sup>&</sup>lt;sup>1</sup> In undertaking distribution services in the Mainland in respect of videos and sound recording products, Hong Kong service suppliers should comply with the relevant laws, regulations and requirements of the review system in the Mainland.

suppliers.	

Chinese language motion pictures and motion pictures jointly produced
1. Chinese language motion pictures produced in Hong Kong may be imported for distribution in the Mainland on a quota-free basis, after vetting and approval by the relevant Mainland authority.
2. Chinese language motion pictures produced in Hong Kong refer to those motion pictures made by production companies which are set up or established in accordance with the relevant laws of the Hong Kong Special Administrative Region, and which own more than 75% of the copyright of the motion pictures concerned. Hong Kong residents should comprise more than 50% of the total principal personnel <sup>1</sup> in the motion pictures concerned.
3. Motion pictures jointly produced by Hong Kong and the Mainland are treated as Mainland motion pictures for the purpose of distribution in the Mainland. Translated versions of the motion pictures in languages of other Chinese ethnic groups and Chinese dialects, which are based on the Putonghua version, are allowed to be distributed in the Mainland.
4. For motion pictures jointly produced by Hong Kong and the Mainland, there is no restriction on the percentage of principal creative personnel <sup>2</sup> from Hong Kong, but at least one-third of the leading artistes must be from the Mainland; there is no restriction on where the story takes place, but the plots or the leading characters

<sup>&</sup>lt;sup>1</sup> Principal personnel includes personnel performing the roles of director, screenwriter, leading actor, leading actress, supporting actor, supporting actress, producer, cinematographer, editor, art director, costume designer, action choreographer, and composer of the original film score. <sup>2</sup> Major creative personnel refers to personnel performing the roles of director, screenwriter,

cinematographer and leading artistes. Leading artistes refer to leading actor, leading actress, leading supporting actor and leading supporting actress.

must be related to the Mainland.

Sectors sub-sectors	or 3. Construction and related engineering services
	CPC511, 512, 513 <sup>1</sup> , 514, 515, 516, 517, 518 <sup>2</sup>
Specific commitments	<ol> <li>For construction enterprises set up in the Mainland by Hong Kong service suppliers, the performance of both the enterprises in Hong Kong and in the Mainland is taken into account in assessing the qualification of the construction enterprises in the Mainland. However, the number of managerial and technical staff in the construction enterprises in the Mainland will be the actual number of staff working there.</li> <li>To allow Hong Kong service suppliers to wholly acquire construction enterprises in the Mainland.</li> <li>Construction enterprises in the Mainland set up and invested by Hong Kong service suppliers are exempted from foreign investment restrictions when undertaking Chinese-foreign joint construction projects.</li> </ol>

 <sup>&</sup>lt;sup>1</sup> Including dredging services relating to infrastructure construction.
 <sup>2</sup> Coverage is limited only to the rental and leasing services of construction and/or demolition machines (with operators) which are owned and used by foreign construction enterprises in the course of providing services.

4. Construction enterprises in invested by Hong Kong service follow the relevant laws and reg Mainland for application of qualification certificates. Those acquired such certification are accordance with laws to bid f projects in all parts of the Mainla	e suppliers will gulations in the f construction e which have e permitted in or construction
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Sectors sub-sectors	or 4. Distribution services
	A. Commission agents' services (excluding salt and tobacco)
	B. Wholesale trade services (excluding salt and tobacco)
Specific commitments	1. To allow Hong Kong service suppliers to provide, in the form of wholly-owned operations, commission agents' services and wholesale trade services and to set up wholly-owned external trading companies in the Mainland. <sup>1</sup>
	2. To apply for the setting up of wholesale commercial enterprises in the Mainland on a wholly-owned, equity joint venture, or contractual joint venture basis, Hong Kong service suppliers must fulfill the following conditions:

<sup>&</sup>lt;sup>1</sup> The wholesale trade services and commission agents' services provided by Hong Kong service suppliers in the Mainland in respect of books, newspapers, magazines, pharmaceutical products, pesticides, mulching film, chemical fertilizers, processed oil and crude oil remain subject to Mainland's commitments to members of the World Trade Organization.

The average annual sales value of a Hong Kong service supplier in the preceding 3 years is not less than US\$30 million; the asset in the preceding year is not less than US\$10 million; the minimum registered capital for setting up an enterprise in the Mainland is RMB 50 million. For setting up a wholesale commercial enterprise in the Central and Western Region <sup>2</sup> , the average annual sales value of a Hong Kong service supplier in the preceding 3 years is not less than US\$20 million; the minimum registered capital is RMB 30 million.
3. To apply for the setting up of external trading companies in the Mainland on a wholly-owned, equity joint venture or contractual joint venture basis, the Hong Kong service suppliers must fulfill the following conditions:
The average annual trade value with the Mainland of a Hong Kong service supplier in the preceding 3 years is not less than US\$10 million; for setting up an external trading company in the Central and Western Region, the average annual trade value with the Mainland of a Hong Kong service supplier in the preceding 3 years is not less than US\$5 million; the minimum registered capital for setting up a company in the Mainland is RMB 20 million; for setting up an external trading company in the Central and Western Region, the minimum registered capital for setting up a company in the Mainland is RMB 10 million.

<sup>&</sup>lt;sup>2</sup> In this Annex, the Central and Western Region include Central Region and Western Region. Western Region refers to 12 provinces/autonomous regions/municipality including Chongqing, Sichuan, Guizhou, Yunnan, Tibet, Shaanxi, Gansu, Qinghai, Ningxia, Xinjiang, Inner Mongolia and Guangxi; and Xianxi Tugia-Miao Autonomous Prefecture of Hunan Province, Enshi Tugia-Miao Autonomous Prefecture of Hubei Province and Yanbian Korean Autonomous Prefecture of Jilin Province. Central Region refers to 8 provinces including Heilongjiang, Jilin, Shanxi, Henan, Hubei, Hunan, Anhui and Jiangxi.

4. There are no geographic restrictions for Hong Kong service suppliers to provide, in the form of wholly-owned operations, commission agents' services and wholesale trade services in the Mainland.
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Sectors sub-sectors	or 4. Distribution services
	C. Retailing services (excluding tobacco)
Specific commitments	1. To allow Hong Kong service suppliers to set up wholly-owned retail commercial enterprises in the Mainland. <sup>1</sup>
	2. To apply for the setting up of retail commercial enterprises in the Mainland on a wholly-owned, equity joint venture or contractual joint venture basis, Hong Kong service suppliers must fulfill the following conditions:
	The average annual sales value of a Hong Kong service supplier in the preceding 3 years is not less than US\$100 million; the minimum asset in the previous year is US\$10 million; the minimum registered capital for setting up an enterprise in the Mainland is RMB 10 million. For setting up a retail commercial enterprise in the Central and Western Region, the minimum registered capital is RMB 6 million.
	3. To allow Hong Kong service suppliers to set up retailing enterprises in all cities at the prefectural level in the Mainland, and cities at the county level in Guangdong Province.

<sup>&</sup>lt;sup>1</sup> The retailing services provided by Hong Kong service suppliers in the Mainland in respect of books, newspapers, magazines, pharmaceuticals, pesticides, mulching film, chemical fertilizers, staple food, vegetable oil, edible sugar, cotton and processed oil remain subject to Mainland's commitments to members of the World Trade Organization.

4. To allow Hong Kong service suppliers to set up wholly owned retailing enterprises in the Mainland for sale of motor vehicles. <sup>2</sup>
5. To allow Hong Kong permanent residents with Chinese citizenship to set up, in accordance with the relevant laws · regulations and administrative regulations, individually owned stores in Guangdong to provide retailing services excluding franchising operation, without being subject to the approval procedures applicable to foreign investments. The sales area of such stores should not exceed 300 square metres.

 $<sup>^{\</sup>rm 2}$  Chain stores with more than 30 outlets remain subject to Mainland's commitments to members of the World Trade Organization.

Sectors of sub-sectors	or 4. Distribution services
	D. Franchising
Specific commitments	To allow Hong Kong service suppliers to engage, in the form of wholly-owned operations, in franchising in the Mainland. <sup>1</sup>

<sup>&</sup>lt;sup>1</sup> The relevant laws and regulations will be promulgated separately.

Sectors sub-sectors	or 7. Financial services
	A. All insurance and insurance-related services
	a. Life, health and pension/ annuities insurance
	b. Non-life insurance
	c. Reinsurance
	d. Services auxiliary to insurance
Specific commitments	<ol> <li>To allow groups formed by Hong Kong insurance companies through re-grouping and strategic mergers to enter the Mainland insurance market subject to established market access conditions (total assets held by the group of over US\$ 5 billion; more than 30 years of establishment experience attributable to one of the Hong Kong insurance companies in the group; and a representative office established in the Mainland for over 2 years by one of the Hong Kong insurance companies in the group).</li> <li>The maximum limit of capital participation by a Hong Kong insurance company in a Mainland insurance company is 24.9%.</li> <li>To allow Hong Kong residents with Chinese citizenship, after obtaining the Mainland's professional qualifications in actuarial science, to practise in the Mainland without prior approval.</li> </ol>

4.	То	allow	Hong	Kong	residen	its, aftei
		•				nsurance
qua	alifica	ations a	and bei	ng emplo	oyed or a	appointed
by	a M	ainlanc	l insura	nce inst	itution, to	o engage
in t	he re	elevant	insurar	nce busir	ness.	

Sectors sub-sectors	or 7. Financial services
	B. Banking and other financial services (excluding insurance and securities)
	<ul> <li>a. Acceptance of deposits and other repayable funds from the public;</li> <li>b. Lending of all types, including</li> </ul>
	consumer credit, mortgage credit, factoring and financing of commercial transaction;
	<ul> <li>c. Financial leasing;</li> <li>d. All payment and money transmission services, including credit, charge and debit cards, travellers cheques and bankers drafts (including import and export settlement);</li> <li>e. Guarantees and commitments;</li> </ul>
	f. Trading for own account or for account of customers: foreign exchange.
Specific commitments	1. For Hong Kong banks to set up branches or body corporates in the Mainland, the total asset requirement at the end of the year preceding application is not less than US\$ 6 billion; for finance companies to set up body corporates, the total asset requirement at the end of the year preceding application is not less than US\$ 6 billion.
	2. There will be no requirement for setting up a representative office in the Mainland before a Hong Kong bank establishes a joint venture bank or joint venture finance company in the Mainland, or before a Hong Kong finance company establishes a joint venture finance company in the Mainland.

3. For Mainland branches of Hong Kong banks to apply to conduct RMB business:					
(1)	they should have been operating in the Mainland for more than 2 years;				
(2)	in conducting profitability assessment, the relevant authorities will base their assessment on the overall profitability position of all branches of the bank in the Mainland instead of the profitability position of its individual branches.				

Sectors sub-sectors	or	7. Financial services					
		B. Banking and other financial services					
		Securities					
Specific commitments		1. To allow the Hong Kong Exchanges and Clearing Limited to set up a representative office in Beijing.					
		2. To simplify the relevant procedures for Hong Kong professionals <sup>1</sup> applying in the Mainland for securities and futures industry qualifications. Hong Kong professionals applying to obtain securities and futures industry qualifications of the Mainland need only to undertake training and pass examination on Mainland laws and regulations; and examination on professional knowledge is not required.					

<sup>&</sup>lt;sup>1</sup> In this sector, professionals refer to Hong Kong permanent residents who have been licensed by the Securities and Futures Commission of Hong Kong.

Sectors sub-sectors	9. Tourism and travel related services				
	A. Hotels (including apartment buildings) and restaurants (CPC641-643)				
	B. Travel agency and tour operator (CPC7471)				
	Others				
Specific commitments	1. To allow Hong Kong service suppliers to construct, renovate and operate, on a wholly-owned basis, hotels, apartment buildings and restaurant establishments in the Mainland.				
	2. There will be no geographic restriction on Hong Kong travel agencies forming joint venture travel agencies in the Mainland where the Mainland agencies have majority shareholding.				
	3. To allow residents of Beijing, Shanghai, and Guangzhou, Shenzhen, Zhuhai, Dongguan, Zhongshan, Jiangmen, Foshan and Huizhou of the Guangdong Province to visit Hong Kong individually for tourism, and to allow the same in respect of the whole of Guangdong Province not later than 1 July 2004.				

Sectors sub-sectors	11. Transport services					
	A. Maritime transport services					
	H. Auxiliary services					
	International transport (freight and passengers) (CPC7211, 7212, less cabotage transport services)					
	Container station and depot services					
	Others					
Specific commitments	1. To allow Hong Kong service suppliers <sup>1</sup> to set up wholly-owned enterprises in the Mainland to operate international ship management services, storage and warehousing for international maritime freight, container station and depot services, and non-vessel operating common carrying services.					
	2. To allow Hong Kong service suppliers to set up wholly-owned shipping companies in the Mainland to provide regular business services for vessels that they own or operate, such as shipping undertaking, issuance of bills of lading, settlement of freight rates, signing of service contracts, etc.					

<sup>&</sup>lt;sup>1</sup> In this sector, the Hong Kong service suppliers must be enterprise juridical persons.

3. To allow Hong Kong service suppliers to use liner vessels serving main routes to move, without any restrictions, empty containers that they own or rent, as long as customs procedures are observed.
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Sectors sub-sectors	or 11. Transport services
	F. Road transport services
	Freight transportation by road in trucks or cars (CPC7123)
	Road passenger transportation (CPC7121, 7122)
Specific commitments	<ol> <li>To allow Hong Kong service suppliers to set up wholly-owned enterprises in the Mainland to provide road freight transport services.</li> <li>To allow Hong Kong service suppliers to</li> </ol>
	provide direct non-stop road freight transport services between Hong Kong and individual provinces, cities and autonomous regions in the Mainland. <sup>1</sup>
	3. To allow Hong Kong service suppliers to set up wholly-owned enterprises in the Western Region of the Mainland to provide road passenger transport services

<sup>&</sup>lt;sup>1</sup> Non-stop services mean direct road transport services between Hong Kong and the Mainland. In this sector, Hong Kong service suppliers supplying non-stop services must be enterprise juridical persons.

Sectors sub-sectors	or	11. Transport services						
		H. Services auxiliary to all modes of transport						
		Storage and warehouse services (CPC742)						
Specific commitments		1. To allow Hong Kong service suppliers to provide, in the form of wholly-owned operations, storage and warehousing services in the Mainland.						
		2. The minimum registered capital requirement for storage and warehousing enterprises in the Mainland set up and invested by Hong Kong service suppliers will be the same as that for Mainland enterprises.						

Sectors sub-sectors	or	11. Transport services
		H. Services auxiliary to all modes of transport
		Freight forwarding agency services (CPC748, 749, excluding freight inspection)
Specific commitments		1. To allow Hong Kong service suppliers <sup>1</sup> to provide, in the form of wholly-owned operations, freight forwarding agency services in the Mainland.
		2. The minimum registered capital requirement for international freight forwarding agency enterprises in the Mainland set up and invested by Hong Kong service suppliers will be the same as that for Mainland enterprises.

<sup>&</sup>lt;sup>1</sup> In this sector, Hong Kong service suppliers must be enterprise juridical persons.

Sectors sub-sectors	or	Service GNS/W/12		(sectors	not	set	out	in
		Logis	tics serv	rices				
Specific commitments		To allow provide, ir logistics s road trai loading processing informatio ordinary r services managem through co	n the forr ervices i nsport, and g, pack n and road frei within ent and	n of whol n the Mai storage unloading aging, d consult ght; freig the M operation	y-own nland, and g, va elivery ancy ht trar ainland	ed ope which warel alue and servio nsport d; a	eration inclu housir addi relat ces ager nd t	ns, ide ng, ing ed for icy the

Table 2

Hong Kong's Specific Commitments on Liberalization of Trade in Services for the Mainland<sup>1</sup>

<sup>&</sup>lt;sup>1</sup> The two sides will, through consultations, formulate and implement further liberalization of Hong Kong's service sectors for the Mainland. The relevant specific commitments will be listed in this table.