

**[Cursory Translation]**

**MAINLAND AND HONG KONG**  
**CLOSER ECONOMIC PARTNERSHIP ARRANGEMENT**

**Agreement on Trade in Goods**

***Preamble***

To deepen the liberalisation and facilitation of trade in goods between the Mainland<sup>①</sup> and the Hong Kong Special Administrative Region (hereinafter referred to as the “two sides”), as well as to further enhance the level of economic and trade exchanges and cooperation, the two sides decided to sign this Agreement on trade in goods between the Mainland and the Hong Kong Special Administrative Region (hereinafter referred to as “Hong Kong”).

---

<sup>①</sup> The “Mainland” refers to the entire customs territory of China.

# **CHAPTER 1**

## **RELATIONSHIP WITH CEPA<sup>②</sup>**

### ***Article 1***

#### ***Relationship with CEPA***

1. The two sides decided to sign this Agreement on the basis of the measures on trade in goods that have been implemented under CEPA and its Supplements, and the Agreement on Economic and Technical Cooperation of CEPA. This Agreement is the Agreement on Trade in Goods of CEPA.

2. The relevant content of Articles 5 to 9 in Chapter 2, Article 10 in Chapter 3, Articles 16 and 17 in Chapter 5, and Annexes 1, 2, 3 and 6 to CEPA shall be implemented in accordance with this Agreement. In the event of any conflict between the provisions of this Agreement and the provisions of CEPA and the relevant Supplements, the provisions of this Agreement shall prevail.

---

<sup>②</sup> CEPA is the abbreviation of the Mainland and Hong Kong Closer Economic Partnership Arrangement.

## **CHAPTER 2**

### **SCOPE AND DEFINITION**

#### ***Article 2***

##### ***Scope and Definition***

1. All measures in this Agreement apply to trade in goods between the Mainland and Hong Kong.
  
2. A measure referred to in this Agreement means any measure by one side, whether in the form of a law, regulation, rule, procedure, decision, administrative action or any other forms. In fulfilling its obligations and commitments under this Agreement, each side shall take such reasonable measures as may be available to it to ensure observance of such obligations and commitments by governments and competent authorities as well as non-governmental bodies within its area.

## **CHAPTER 3**

### **OBLIGATIONS AND DISCIPLINES**

#### ***Article 3***

##### ***National Treatment***

One side shall accord to the goods imported and originated from the other side treatment no less favourable than that it accords to its own like goods in accordance with Article III of the World Trade Organisation (hereinafter referred to as “WTO”) General Agreement on Tariffs and Trade 1994.

#### ***Article 4***

##### ***Tariffs and Tariff Rate Quota***

1. Hong Kong shall continue to apply zero tariff to all imported goods of Mainland origin. The Mainland shall fully implement zero tariff on imported goods of Hong Kong origin<sup>③</sup>.
2. Neither side shall apply tariff rate quota to goods imported and originated from the other side.

---

<sup>③</sup> Imported goods do not include those prohibited by the Mainland's rules and regulations and those prohibited as a result of the implementation of international treaties by the Mainland, as well as products that the Mainland has made special commitments in relevant international agreements.

## ***Article 5***

### ***Non-tariff Measures***

Neither side shall apply non-tariff measures inconsistent with WTO rules to goods imported and originated from the other side.

## **CHAPTER 4**

### **RULES OF ORIGIN AND IMPLEMENTATION PROCEDURES**

## **Section 1**

### **Rules of Origin**

## ***Article 6***

### ***Definitions***

For the purposes of this Chapter:

“**CIF**” means the value of the good imported, inclusive of the cost of insurance and freight up to the port or place of entry into the importing side.

“**Customs Valuation Agreement**” means the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade 1994 in Annex 1A to the WTO Agreement.

“**FOB**” means the free-on-board value of the good, inclusive of the cost of transport to the port or site of final shipment abroad.

**“fungible materials”** means materials which are interchangeable for commercial purposes, whose properties are essentially identical, and between which it is impractical to differentiate by a mere visual examination.

**“generally accepted accounting principles”** means the recognised accounting standards of one side with respect to the recording of revenues, expenses, costs, assets and liabilities, the disclosure of information and the preparation of financial statements. Those standards may encompass broad guidelines of general applications as well as detailed standards, practices and procedures.

**“good”** means any commodity, product, article or material.

**“material”** means an ingredient, part, component, subassembly or good that was physically incorporated into another good or used in the production process of another good.

**“neutral element”** means a good used in the production, testing or inspection of another good but not incorporated into that good.

**“non-originating good” or “non-originating material”** means a good or material that does not qualify as originating in accordance with the provisions of this Chapter, and a good or material of undetermined origin.

**“originating good” or “originating material”** means a good or material that qualifies as originating in accordance with the provisions of this Chapter.

**“production”** means methods of obtaining goods, including growing, raising, mining, harvesting, fishing, aquaculture, farming, trapping, hunting, capturing, gathering, collecting, breeding, extracting, manufacturing, processing or assembling goods, etc.

**“aquaculture”** means the farming of aquatic organisms, including fish, mollusks, crustaceans, other aquatic invertebrates and aquatic plants, from seedstock such as eggs, fry, fingerlings, and larvae, by intervention in the rearing or growth processes to enhance production, such as regular stocking, feeding, or protection from predators.

**“Harmonised System”** means the Harmonised Commodity Description and Coding System annexed to the International Convention on the Harmonised Commodity Description and Coding System signed on 14 June 1983, and its amendments.

**“heading”** means the four-digit codes of the Harmonised System.

**“subheading”** means the six-digit codes of the Harmonised System.

**Article 7**  
*Originating Goods*

Unless otherwise provided in this Chapter, the following goods shall be considered as originating in one side:

- (i) goods wholly obtained or produced in one side in accordance with the requirements in Article 8;
- (ii) goods produced in one side exclusively from originating materials;
- (iii) for goods produced using non-originating materials in one side:
  - 1. goods which fall within the scope of the Annex (Product Specific Rules of Origin) and which comply with the corresponding change in tariff classification, regional value content (RVC), manufacturing or processing operations or other requirements;
  - 2. goods which do not fall within the scope of the Annex (Product Specific Rules of Origin) and which comply with the requirement that RVC is greater than or equal to 30% when calculated by the build-up method, or that RVC is greater than or equal to 40% when calculated by the build-down method.



## **Article 8**

### ***Goods Wholly Obtained or Produced***

The following goods shall be considered as wholly obtained or produced in one side as referred to in subparagraph (i) of Article 7:

- (i) live animals born and raised in one side;
- (ii) goods obtained from live animals in one side, including milk, eggs, natural honey, hair, wool, semen or manure;
- (iii) plants or plant products grown, and harvested, picked or gathered in one side;
- (iv) goods obtained from hunting, trapping, fishing, aquaculture, gathering or capturing conducted in one side;
- (v) minerals and other naturally occurring substances extracted or taken from the soil, waters, seabed or subsoil beneath the seabed of one side and not included in subparagraphs (i) to (iv) above;
- (vi) goods extracted or taken from the waters, seabed or subsoil beneath the seabed outside one side, provided that one side has the right to exploit such waters, seabed or subsoil beneath the seabed in accordance with the provisions of relevant international agreements to which that side has forged or joined;
- (vii) fish and other marine products obtained by fishing conducted in the sea outside the waters of one side by vessels registered with one side or holding a licence

issued by one side and flying the national flag (for Mainland vessels) or the regional flag of the Hong Kong Special Administrative Region of the People's Republic of China (for Hong Kong Special Administrative Region vessels);

- (viii) goods processed or manufactured on board factory ships registered with one side or holding a licence issued by one side and flying the national flag (for Mainland vessels) or the regional flag of the Hong Kong Special Administrative Region of the People's Republic of China (for Hong Kong Special Administrative Region vessels), exclusively from goods referred to in subparagraph (vii) above;
- (ix) waste and scrap derived from processing operation in one side and are fit only for the recovery of raw materials;
- (x) waste and scrap articles consumed and collected in one side and are fit only for the recovery of raw materials;
- (xi) goods produced in one side exclusively from goods referred to in subparagraphs (i) to (x) above.

**Article 9**  
***Regional Value Content***

1. The RVC criterion as provided for in subparagraph (iii) of Article 7 and the Annex (Product Specific Rules of Origin) shall be calculated in accordance with the formula as follows:

(i) Build-up method

$$\text{RVC} = \frac{\text{value of originating materials} + \text{labour costs} + \text{product development costs}}{\text{FOB value}} \times 100\%$$

(ii) Build-down method

$$\text{RVC} = \frac{\text{FOB value} - \text{value of non-originating materials}}{\text{FOB value}} \times 100\%$$

The value of originating materials shall include the value of originating raw materials and component parts.

2. For the purposes of subparagraph (i) of paragraph 1 of this Article, product development refers to product development carried out in one side for the purposes of producing or processing the exporting goods. Expenses incurred in product development shall be related to the exporting goods. These expenses include fees payable for the development of designs, patents, patented technologies,

trademarks or copyrights (collectively “these rights”) carried out by the manufacturer himself, fees payable to a natural or legal person in one side for undertaking the development of these rights, and fees payable for purchasing these rights owned by a natural or legal person in one side. The expenses incurred shall be identifiable under generally accepted accounting principles and the Customs Valuation Agreement.

3. For the purposes of subparagraph (ii) of paragraph 1 of this Article, the value of non-originating materials shall be determined according to one of the following circumstances:

- (i) in case of the imported non-originating materials, the value of non-originating materials shall be the CIF value of the materials at the time of importation;
- (ii) in case of the non-originating materials obtained in one side, the value of non-originating materials shall be the earliest ascertainable price paid or payable in one side. The value of such non-originating materials shall not include freight, insurance, packing costs and any other costs incurred in transporting the material from the supplier’s warehouse to the manufacturer’s location.

4. For the purposes of paragraph 1 of this Article, the calculation of the RVC shall be consistent with generally accepted accounting principles and the Customs Valuation Agreement.

## ***Article 10***

### ***De Minimis***

A good that does not meet the change in tariff classification requirement in the Annex (Product Specific Rules of Origin) shall be regarded as an originating good if the value of non-originating materials used in the good which do not undergo the required change in tariff classification does not exceed 10% of the FOB value of the good. The value of the said non-originating materials shall be determined in accordance with paragraph 3 of Article 9.

## ***Article 11***

### ***Accumulation***

1. Where originating goods or originating materials of one side are incorporated into a good in the other side, such goods or materials shall be considered as originating in the latter side.
2. For the purposes of paragraph 1 of this Article, where the good of the latter side is subject to the RVC criterion, the RVC without counting the value of originating goods or originating materials of the former side shall be greater than or equal to 15% (build-up method) or 20% (build-down method) in accordance with the respective formulae.

## **Article 12**

### ***Minimal Operations or Processes***

1. Notwithstanding subparagraph (iii) of Article 7, a product shall not be considered as originating, if it has only undergone one or more of the following operations:

- (i) preservation operations to ensure the good remains in good condition during transport and storage;
- (ii) simple assembly of parts of articles to constitute a complete article, or simple disassembly of products into parts;
- (iii) packing, unpacking or repacking operations, etc. for the purposes of sale or presentation;
- (iv) slaughtering of animals;
- (v) washing, cleaning, removal of dust, oxide, oil, paint, or other coverings;
- (vi) ironing or pressing of textiles;
- (vii) simple painting and polishing operations;
- (viii) husking, partial or total bleaching, polishing, and glazing of cereals and rice;
- (ix) operations to colour sugar or form sugar lumps;
- (x) peeling, stoning and shelling of fruits, nuts and vegetables;
- (xi) sharpening, simple grinding, or simple cutting;

- (xii) sifting, screening, sorting, classifying, grading, matching (including the making-up of sets of articles), cutting, slitting, bending, coiling, or uncoiling;
- (xiii) simple placing in bottles, cans, bags, cases, boxes, fixing on cards or boards, and other similar packaging operations;
- (xiv) affixing or printing marks, labels, logos or other like distinguishing signs on products or their packaging;
- (xv) simple mixing of goods, whether or not of different kinds;
- (xvi) mere dilution with water or another substance that does not materially alter the characteristics of the goods;
- (xvii) operations whose sole purpose is to facilitate port handling;
- (xviii) a combination of two or more operations specified in subparagraphs (i) to (xvii) above.

2. All operations in the production of a given good carried out in one side shall be taken into account when determining whether the working or processing undergone by that good is considered as minimal operations or processes referred to in paragraph 1 of this Article.

**Article 13**  
*Fungible Materials*

Where fungible materials are used in the production of a good, the following methods shall be adopted in determining whether the materials used qualify as originating:

- (i) physical separation of the materials;
- (ii) an inventory management method recognised in the generally accepted accounting principles of the exporting side. Such inventory management method shall be used continuously for at least 12 months from the date of commencement.

**Article 14**  
*Neutral Elements*

In determining whether a good is an originating good, the origin of the following neutral elements shall be disregarded:

- (i) fuel, energy, catalysts and solvents;
- (ii) equipment, devices and supplies used for testing or inspecting the goods;
- (iii) gloves, glasses, footwear, clothing, safety equipment and supplies;
- (iv) tools, dies and moulds;
- (v) spare parts and materials used in the maintenance of equipment and buildings;



- (vi) lubricants, greases, compounding materials and other materials used in production or used to operate equipment and buildings;
- (vii) any other goods that are not incorporated into the good but whose use in the production of the good can reasonably be demonstrated to be a part of that production.

## ***Article 15***

### ***Packages and Containers***

1. Containers and packaging materials used for the transport of a good shall not be taken into account in determining the origin of the good.
2. Where a good is subject to the change in tariff classification criterion in the Annex (Product Specific Rules of Origin), the origin of the packaging materials and containers in which the good is packaged for retail sale shall be disregarded in determining the origin of the good, provided that the packaging materials and containers are classified with the good. However, where a good is subject to the RVC requirement, the value of the packaging materials and containers used for retail sale shall be taken into account as originating materials or non-originating materials, as the case may be, in calculating the RVC of the good.

## **Article 16**

### ***Accessories, Spare Parts and Tools***

1. Accessories, spare parts or tools presented and classified with a good shall be considered as part of the good, provided that:

- (i) they are invoiced together with the good;
- (ii) their quantities and values are commercially customary for the good.

2. Where a good is subject to the change in tariff classification criterion in the Annex (Product Specific Rules of Origin), accessories, spare parts or tools described in paragraph 1 of this Article shall be disregarded when determining the origin of the good.

3. Where a good is subject to an RVC criterion, the value of the accessories, spare parts or tools described in paragraph 1 of this Article shall be taken into account as originating materials or non-originating materials, as the case may be, in calculating the RVC of the good.

## **Article 17**

### ***Sets***

1. Sets, as defined in General Rule 3 of the Harmonised System, shall be regarded as originating in one side when all component goods are originating in that side.

2. If part of the component goods is not originating in one side, the set as a whole shall be regarded as originating in that side, provided that the value of the non-originating goods as determined in accordance with Article 9 does not exceed 15% of the FOB price of the set.

### ***Article 18***

#### ***Direct Consignment***

Zero tariff treatment under this Agreement shall only apply to goods which are transported directly between the two sides.

## **Section 2**

### **Origin Implementation Procedures**

### ***Article 19***

#### ***Certificate of Origin***

1. A Certificate of Origin may be issued electronically or in print by the authorised issuing authorities of one side on application by an exporter or a manufacturer, provided that the goods can be considered as originating in that side subject to the provisions of this Chapter. The template of the Certificate of Origin shall be separately agreed by the competent authorities of the two sides.

2. One side shall inform the other side of the names and addresses of its authorised issuing authorities. One side shall also provide the other side with the specimen of the official stamps or other security features used by its authorised issuing authorities if the authorised issuing authorities issue a Certificate of Origin in print. One side shall promptly inform the customs administration of the other side if there is any change to the names, addresses, official stamps or other security features.

3. A Certificate of Origin shall satisfy the following requirements:

- (i) a Certificate of Origin shall have a unique certification reference number;
- (ii) a Certificate of Origin shall be completed in Chinese and will cover one or more goods under the same consignment;
- (iii) a Certificate of Origin shall specify the information of the exporter and consignee, departure date, port of discharge, mode of transport, Harmonised System code (at least 6-digit) of the good, description of goods, quantity and quantity unit, price, information of the issuing authority, etc.;
- (iv) a Certificate of Origin in print shall contain security features such as specimen signatures or official stamps, etc. as advised to the importing side by the exporting side.

4. A Certificate of Origin shall be issued before or at the time of shipment. It shall be valid for one year from the date of issue by the exporting side.

5. If a Certificate of Origin was not issued before or at the time of shipment due to force majeure, involuntary errors, omissions or other valid causes, it may be issued retrospectively within one year from the date of shipment, bearing the words "ISSUED RETROSPECTIVELY", and remain valid for one year from the date of shipment.

6. In the event of theft, loss or damage of a Certificate of Origin in print, the exporter or manufacturer may make a written request to the authorised issuing authority of the exporting side for issuing a certified copy of the Certificate of Origin. The certified copy shall bear the words "CERTIFIED TRUE COPY of the original Certificate of Origin numbered \_\_\_\_ dated \_\_\_\_". The certified copy shall have the same term of validity as the original Certificate of Origin.

## ***Article 20***

### ***Retention of Origin Documents***

The two sides shall require their manufacturers, exporters and importers to retain in print or electronically the documents that prove the originating status of the goods for at least three years or any period of time according to their respective laws and regulations. The

two sides shall require their authorised issuing authorities to retain electronic information of the issuance of Certificates of Origin for at least three years.

## **Article 21**

### ***Obligations Regarding Importations***

1. For goods applying for zero tariff, one side may request the goods of the other side claimed to have qualified as originating in accordance with the requirements specified in this Chapter to declare origin information upon importation.
2. Importers applying for zero tariff shall:
  - (i) take the initiative to declare that the goods are eligible for zero tariff and to declare relevant origin information in accordance with requirements of the customs administration of the importing side;
  - (ii) submit supporting documents relating to importation of the goods, upon request of the customs administration of the importing side.

## **Article 22**

### ***Refund of Customs Duties or Deposit***

1. In the event that the origin information cannot be verified through interconnection network when an import declaration is made,

the customs administration of the importing side may, upon the request of the importer, act in accordance with the stipulated procedures and release the goods upon payment of a deposit. The customs administration of the importing side shall verify the details on the Certificate of Origin within 90 days following the release of the goods and, in accordance with the verification results, proceed with the procedure to either return the deposit or convert the deposit to import tariff.

2. The importer may request a refund of the excess tariff or paid deposit within the time limit as specified in the regulations of the importing side.

3. Where the importer fails to inform the customs administration at the port of clearance upon importation that the imported goods are eligible for zero tariff, the paid tariff or deposit shall not be refunded even if the importer applies to the customs administration for zero tariff and declares origin information afterwards.

### ***Article 23***

#### ***Electronic Origin Information Exchange System***

1. The two sides shall develop an electronic origin information exchange system to ensure the effective and efficient implementation of this Chapter in a manner jointly determined by the two sides.

2. The technical arrangement for the electronic origin information exchange system, the corresponding technical adjustments to the system and the time frame for the implementation of this Agreement will be mutually agreed by the two sides.

## ***Article 24***

### ***Verification of Origin***

1. For the purposes of determining the authenticity of the Certificate of Origin, or the originating status of the goods, or whether the goods have fulfilled other requirements specified in this Chapter, the customs administration of the importing side may conduct a verification by means of:

- (i) requesting additional information from the importer;
- (ii) requesting additional information from the exporter or manufacturer via the customs administration of the exporting side;
- (iii) requesting the customs administration of the exporting side to conduct verification of origin of goods;
- (iv) other procedures mutually agreed by the customs administrations of the two sides;
- (v) conducting verification visits on the exporting side with customs officers of the exporting side in a manner agreed by the customs administrations of the two sides when necessary.



2. When submitting verification request to the customs administration of the exporting side, the customs administration of the importing side shall specify the reasons and provide relevant documents and information to justify its verification request.

3. The importer, exporter or manufacturer referred to in paragraph 1 of this Article receiving a request for additional information shall respond to the request promptly and reply within 90 days from the date of receipt of the request. The customs administration of the exporting side shall complete the verification and report the result to the customs administration of the importing side within 6 months after receiving the verification request.

4. If no reply is received within the deadlines specified above, or if the reply does not contain the information necessary to determine the authenticity of the relevant documents or the originating status of the goods in question, the customs administration of the importing side may deny zero tariff treatment to the goods in question.

## ***Article 25***

### ***Denial of Zero Tariff Treatment***

Except as otherwise provided in this Chapter, the importing side may deny claim for zero tariff treatment if any of the following applies:

- (i) the good does not meet the provisions of this Chapter;

- (ii) the importer, exporter or manufacturer fails to comply with the provisions of this Chapter;
- (iii) the Certificate of Origin does not meet the provisions of this Chapter;
- (iv) in a case stipulated in paragraph 4 of Article 24.

## ***Article 26***

### ***Working Group on Rules of Origin***

1. The two sides agree to set up the Working Group on Rules of Origin under the mechanism of the CEPA Joint Steering Committee.
2. The Working Group on Rules of Origin shall comprise representatives of the competent authorities on rules of origin of the two sides. The Working Group shall regularly review the validity and consistency of this Chapter and whether the spirit and the objectives of this Agreement are fulfilled, and exchange data or information related to goods claiming zero tariff treatment in a manner agreed by the two sides.
3. At the request of one side, the Working Group on Rules of Origin shall, in accordance with the mechanism and time frame as agreed by the competent authorities on rules of origin of the two sides, conduct consultations on the revisions to the rules of origin for goods claiming zero tariff. After the completion of the consultations, the

revised rules of origin shall be announced and implemented by the two sides.

4. The Working Group on Rules of Origin shall meet at least once a year or at other times as agreed by the two sides.

5. Customs administrations of the two sides, together with the relevant authorities, shall convene at least one meeting on implementation work every year to review the verification of origin and explore measures to strengthen cooperation between the two sides.

## **CHAPTER 5**

### **CUSTOMS PROCEDURES AND TRADE FACILITATION**

#### ***Article 27***

##### ***Scope and Objectives***

1. This Chapter shall apply, in accordance with the respective obligations and customs law of the two sides, to customs procedures applied to the goods traded between the two sides and to the movement of means of transport between the two sides.

2. The objectives of this Chapter are to:

- (i) simplify and harmonise customs procedures;
- (ii) facilitate trade between the two sides;
- (iii) promote cooperation between the customs

administrations of the two sides within the scope of this Chapter.

## **Article 28**

### *Definitions*

For the purposes of this Chapter:

**“customs law”** means the statutory or regulatory provisions relating to the importation, exportation, movement or storage of goods, the enforcement of which is specifically charged to the customs administrations, and any regulation made by the customs administrations under their statutory powers.

**“customs procedures”** means the treatment applied by the customs administrations to goods and means of transport that are subject to customs control.

**“means of transport”** means various types of vessels, vehicles and aircraft which enter or leave the customs territory of one side carrying persons or goods.

**“Customs Valuation Agreement”** means the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade 1994 in Annex 1A to the WTO Agreement.

**“Harmonised System”** means the Harmonised Commodity Description and Coding System annexed to the International Convention on the Harmonised Commodity Description and Coding System signed on 14 June 1983, and its amendments.

## ***Article 29***

### ***Affirmation of the Agreement on Trade Facilitation***

The two sides reiterate their observance of their respective commitments under the Agreement on Trade Facilitation (hereinafter referred to as the “TF Agreement”) in Annex 1A to the WTO Agreement, in facilitating implementation of the TF Agreement.

## ***Article 30***

### ***Facilitation***

1. The two sides shall ensure that their customs procedures and practices are predictable, consistent and transparent, so as to facilitate trade.
2. One side shall endeavour to use customs procedures based on international standards, in particular the standards and recommended practices of the World Customs Organisation, to reduce costs and unnecessary delays in trade between the two sides.

3. The two sides shall strengthen exchanges on the implementation of the TF Agreement.

4. The two sides shall continuously explore means to further simplify procedures and enhance the level of facilitation.

### ***Article 31***

#### ***Transparency***

1. One side shall promptly publish its laws, regulations and administrative regulations applicable and relevant to trade in goods between the two sides.

2. One side shall designate enquiry points to address enquiries from interested persons on customs matters, and shall make available, through the internet, information on procedures for making such enquiries.

3. One side shall endeavour to publish, in advance, through the internet, draft laws and regulations applicable and relevant to trade between the two sides, with a view to affording the public, especially interested persons, an opportunity to provide comments.

4. Customs administrations of the two sides shall establish a reciprocal notification system to report their respective policies and

regulations on customs clearance and facilitation of customs clearance management.

5. One side shall administer in a uniform, impartial and reasonable manner its laws and regulations applicable and relevant to trade between the two sides.

### ***Article 32***

#### ***Customs Valuation***

One side shall determine the customs value of goods traded between the two sides in accordance with the provisions of Article VII of the WTO General Agreement on Tariffs and Trade 1994 and the Customs Valuation Agreement.

### ***Article 33***

#### ***Tariff Classification***

One side shall apply the Harmonised System to goods traded between the two sides.

### ***Article 34***

#### ***Customs Cooperation***

Recognising the importance of close and long-term cooperation between their customs administrations and of the

implementation of customs clearance facilitation to their economic and social development, the two sides agree to strengthen cooperation in customs procedures and trade facilitation in the following areas:

- (i) conduct studies and exchanges on the differences between their respective customs clearance systems and on existing problems, with a view to exploring specific means to enhance the level of facilitation and to strengthen cooperation;
- (ii) launch cooperation with focus on information exchange, mutual recognition of control, and mutual assistance in law enforcement, with a view to enhancing the efficiency of customs clearance at control points;
- (iii) strengthen cooperation in customs clearance for sea and land transportation modes as well as intermodal operation, etc., with a view to enhancing regulatory and customs clearance efficiency;
- (iv) strengthen the work of the Expert Group on Cargo Data Sharing and Road Cargo Clearance under the two customs administrations, further study the feasibility of data interchange and development of electronic customs clearance system at control points, strengthen the risk management of customs clearance and enhance its efficiency through technical means.



### ***Article 35***

#### ***Application of Information Technology***

The customs administration of one side shall adopt cost-effective and highly efficient information technology to support customs operations, attach importance to the development in this area under the World Customs Organisation, explore the use of internet, etc. to facilitate customs clearance, and establish and promote single window.

### ***Article 36***

#### ***Risk Management***

1. One side shall establish and maintain a risk management system to implement customs control and use risk profiling to determine which persons, goods and means of transport are to be examined, and the extent and methods of the examination.
2. One side shall further strengthen the use of risk management techniques in the administration of its customs procedures so as to facilitate the clearance of low-risk goods and allow resources to be focused on high-risk goods.
3. The two sides shall conduct consultations on an equal basis to explore ways to strengthen the existing liaison mechanisms between

their customs administrations with a view to enhancing the level of risk management and trade efficiency.

### ***Article 37***

#### ***Authorised Economic Operator System***

1. In implementing an Authorised Economic Operator System or relevant measures, one side shall draw on relevant international standards, in particular the SAFE Framework of Standards to Secure and Facilitate Global Trade of the World Customs Organisation.

2. The two sides shall launch or continue to deepen the cooperation in the mutual recognition of the Authorised Economic Operator System or relevant measures, and provide customs clearance facilitation for law-abiding and secure enterprises in accordance with the law, so as to facilitate trade between the two sides and international trade while ensuring effective regulation.

### ***Article 38***

#### ***Release of Goods***

1. One side shall establish or maintain simplified customs procedures to enhance the efficiency of the release of goods in order to facilitate trade between the two sides. For greater certainty, this paragraph shall not be construed as requiring one side to release goods where the requirements for release have not been met.

2. In accordance with paragraph 1 of this Article, one side shall establish or maintain the following procedures:

- (i) allow the submission and processing of advance electronic information before the physical arrival of goods with a view to expediting the release of goods;
- (ii) ensure that goods are released as soon as possible within a time period no longer than that required to ensure compliance with its customs law.

### ***Article 39***

#### ***Perishable Goods***

1. With a view to preventing avoidable loss or deterioration of perishable goods, and provided that all regulatory requirements have been met, one side shall:

- (i) provide for the release of perishable goods within the shortest possible time under normal circumstances;
- (ii) provide for the release of perishable goods outside the normal business hours of its customs administration in exceptional circumstances and where permitted in the contexts.

2. One side shall consider according priority to perishable goods when scheduling examinations of goods.

## **Article 40**

### *Liaison Mechanism*

1. The two sides shall steer and coordinate cooperation in customs clearance facilitation through the Annual Review Meeting between the senior management of the General Administration of Customs of the Mainland and the Customs and Excise Department of Hong Kong, take forward cooperation in customs clearance facilitation through the customs administrations and the expert groups of the relevant departments of the two sides, and conduct regular assessment of the effectiveness of trade facilitation measures being implemented.
2. The customs administrations of the two sides shall set up a liaison officer mechanism to implement the point-to-point hotline notification measure, and coordinate and resolve problems in cooperation in a timely manner.
3. The two sides shall set up a control point operations liaison mechanism to strengthen cooperation in establishing an emergency management mechanism at control points and adopt effective measures to maintain as far as possible smooth clearance on the two sides.
4. The customs administrations of the two sides shall establish a regular meeting mechanism to make full use of the Guangdong and

Hong Kong Customs Working Group on Operational Efficiency of Control Points set up under the Guangdong Branch of the General Administration of Customs and the Customs and Excise Department of Hong Kong.

## **CHAPTER 6**

### **SANITARY AND PHYTOSANITARY MEASURES**

#### ***Article 41***

#### ***Objectives***

The objectives of this Chapter are to:

- (i) facilitate trade between the two sides, and protect human, animal and plant life and health in their areas;
- (ii) ensure transparency of the sanitary and phytosanitary measures and regulations of the two sides;
- (iii) strengthen cooperation between the competent authorities of the two sides which are responsible for this Chapter;
- (iv) facilitate the actual implementation of the principles of the Agreement on the Application of Sanitary and Phytosanitary Measures (hereinafter referred to as the “SPS Agreement”) in Annex 1A to the WTO Agreement.

## **Article 42**

### **Scope**

This Chapter shall apply to all sanitary and phytosanitary measures, which may, directly or indirectly, affect trade between the two sides.

## **Article 43**

### **Definitions<sup>④</sup>**

For the purposes of this Chapter:

**“sanitary and phytosanitary measures”** means any measures implemented for the following purposes:

- (i) to protect animal or plant life or health within the area of one side from risks arising from the entry, establishment or spread of pests, diseases, disease-carrying organisms, or disease-causing organisms;
- (ii) to protect human or animal life or health within the area of one side from risks arising from additives, contaminants, toxins or disease-causing organisms in foods, beverages or feedstuffs;
- (iii) to protect human life or health within the area of one side from risks arising from diseases carried by animals,

---

<sup>④</sup> For the purpose of these definitions, "animal" means the live animals, whether domesticated or wild, such as livestock, poultry, beasts, snakes, tortoises, fishes, shrimps and prawns, crabs, shellfishes, silkworms and bees, etc.; "plant" means living plants and parts thereof, including seeds and germplasm; "pest" means any species, strain or biotype of plant, animal or pathogenic agent injurious to plants or plant products; "contaminant" includes pesticide, veterinary drug residues and other impurities.

- plants or products thereof, or from the entry, establishment or spread of pests; or
- (iv) to prevent or limit other damage within the area of one side from the entry, establishment or spread of pests.

Sanitary and phytosanitary measures include all relevant laws, decrees, regulations, requirements and procedures including, *inter alia*, end product criteria; processes and production methods; testing, inspection, certification and approval procedures; quarantine treatments including relevant requirements associated with the transport of animals or plants, or with the materials necessary for their survival during transport; provisions on relevant statistical methods, sampling procedures and methods of risk assessment; and packaging and labelling requirements directly related to food safety.

**“harmonisation”** means the establishment, recognition and application of common sanitary and phytosanitary measures by the two sides.

**“international standards, guidelines and recommendations”** means:

- (i) for food safety, the standards, guidelines and recommendations established by the Codex Alimentarius Commission (CAC) relating to food additives, veterinary drug and pesticide residues,

contaminants, methods of analysis and sampling, and codes and guidelines of hygienic practice;

- (ii) for animal health and zoonoses, the standards, guidelines and recommendations developed under the auspices of the World Organisation for Animal Health (OIE);
- (iii) for plant health, the international standards, guidelines and recommendations developed under the auspices of the Secretariat of the International Plant Protection Convention (IPPC) in cooperation with regional organisations operating within the framework of the International Plant Protection Convention (IPPC); and
- (iv) for matters not covered by the above organisations, appropriate standards, guidelines and recommendations promulgated by other relevant international organisations open for membership to all WTO Members, as identified by the WTO Committee on Sanitary and Phytosanitary Measures.

**“risk assessment”** means the evaluation of the likelihood of entry, establishment or spread of a pest or disease within the area of the importing side according to the sanitary and phytosanitary measures which might be applied, and of the associated potential biological and economic consequences; or the evaluation of the potential for adverse effects on human or animal health arising from



the presence of additives, contaminants, toxins or disease-causing organisms in food, beverages or feedstuffs.

**“appropriate level of protection”** means the level of protection deemed appropriate by one side establishing a sanitary and phytosanitary measure to protect human, animal or plant life or health within its area.

**“pest- or disease-free area”** means an area in which a specific pest or disease is absent as demonstrated by scientific evidence and in which, where appropriate, this condition is being officially maintained.

Note: A pest- or disease-free area may surround, be surrounded by, or be adjacent to an area, in which a specific pest or disease is known to occur but is subject to regional control measures such as the establishment of protection, surveillance and buffer zones which shall confine or eradicate the pest or disease in question.

**“area of low pest or disease prevalence”** means an area, as identified by the competent authorities, in which a specific pest or disease is present at low levels and which is subject to effective surveillance or control measures.

#### **Article 44**

##### ***Affirmation of the SPS Agreement***

The two sides reiterate their observance of the SPS Agreement.

#### **Article 45**

##### ***Harmonisation***

To harmonise sanitary and phytosanitary measures as broadly as possible, one side shall endeavour to establish its sanitary and phytosanitary measures on the basis of existing international standards, guidelines and recommendations established by the Codex Alimentarius Commission (CAC), the World Organisation for Animal Health (OIE), and the relevant international and regional organisations operating within the framework of the International Plant Protection Convention (IPPC).

#### **Article 46**

##### ***Adaptation to Regional Conditions***

1. The two sides agree that issues related to the adaptation of zones with different sanitary and phytosanitary status and issues that affect or may affect trade between the two sides shall be addressed in accordance with Article 6 of the SPS Agreement.

2. In case of an event affecting the sanitary or phytosanitary status of a pest-free or disease-free area or an area of low pest or disease prevalence, the two sides shall do their utmost for re-establishing such status and endeavour to reduce the relevant impacts to the trade to the minimum based on risk assessments taking into account the relevant international standards, guidelines and recommendations (such as the Guidelines to Further the Practical Implementation of Article 6 of the SPS Agreement (G/SPS/48) adopted by the WTO Committee on Sanitary and Phytosanitary Measures and the relevant standards drawn up by the World Organisation for Animal Health (OIE) and the International Plant Protection Convention (IPPC)).

#### ***Article 47***

#### ***Equivalence***

1. One side shall actively consider accepting the sanitary and phytosanitary measures of the other side as equivalent to its own if such measures of the other side can achieve the former side's appropriate level of protection.

2. Upon the request of one side, the two sides shall conduct consultations on specific sanitary and phytosanitary measures with a view to achieving recognition arrangements of equivalence.

## **Article 48**

### ***Measures at the Port***

1. Except as provided for in paragraph 7 of Article 5 of the SPS Agreement, one side shall implement the sanitary or phytosanitary measures at the port in accordance with scientific principles.
2. Where one side detains, at a port of entry, goods exported from the other side due to a perceived failure to comply with sanitary or phytosanitary requirements, the reasons for the detention shall be promptly notified to the importer or his representative. Perceived serious failure to comply with sanitary or phytosanitary requirements shall be promptly notified to the other side.

## **Article 49**

### ***Technical Cooperation***

1. The two sides agree to further strengthen technical cooperation on the basis of the Agreement on Economic and Technical Cooperation of CEPA. The two sides agree to explore technical cooperation on sanitary and phytosanitary matters which are of mutual interest and are consistent with this Chapter, including regular exchanges on management system and personnel as well as laboratory techniques and personnel, with a view to enhancing the mutual understanding of the regulatory systems of the two sides and facilitating access to each other's markets.

2. At the request of one side, the two sides shall duly consider cooperation in relation to sanitary and phytosanitary matters. Such cooperation shall be based on mutually agreed terms and conditions of the two sides and may include, but is not limited to:

- (i) strengthening exchanges of experience and cooperation in the development and application of sanitary and phytosanitary measures;
- (ii) cooperating on the implementation of regionalisation in accordance with Article 6 of the SPS Agreement and the relevant international standards, guidelines and recommendations to facilitate trade between the two sides;
- (iii) specifically strengthening cooperation with respect to laboratory testing techniques, methods of disease and pest control, methods of risk analysis, etc.

## ***Article 50***

### ***Working Group on Sanitary and Phytosanitary Measures***

1. The two sides agree to set up the Working Group on Sanitary and Phytosanitary Measures (hereinafter referred to as the “SPS Working Group”) under the mechanism of the CEPA Joint Steering Committee. The SPS Working Group shall comprise representatives of the two sides to supervise the implementation of this Chapter.

2. Functions of the SPS Working Group include:
  - (i) monitoring the implementation of this Chapter;
  - (ii) coordinating technical cooperation activities;
  - (iii) facilitating technical consultations;
  - (iv) identifying areas for enhanced cooperation, including actively considering any specific proposal made by either side;
  - (v) establishing a dialogue between the competent authorities in accordance with the objectives of this Chapter;
  - (vi) carrying out other functions as agreed by the two sides.
3. Unless otherwise agreed by the two sides, the SPS Working Group shall be co-chaired by the two sides and shall meet once a year. The meetings of the SPS Working Group may be conducted via any means as agreed by the two sides on a case-by-case basis, and may be jointly convened with the meetings of the Working Group on Technical Barriers to Trade established under Chapter 7 of this Agreement.
4. For the purposes of this Article, the SPS Working Group shall be coordinated by the relevant competent authorities of the two sides.
5. The two sides shall ensure that the relevant competent authorities and personnel will participate in the SPS Working Group. The SPS Working Group shall carry out its work through any

communication channels as agreed by the two sides, including e-mails, tele-conferences, video conferences or other means.

## ***Article 51***

### ***Technical Consultations***

1. Where one side considers that the sanitary and phytosanitary measure of the other side has constituted an obstacle to its exports, or serious failure to comply with sanitary and phytosanitary requirements is perceived during its port inspection, the two sides shall promptly conduct technical consultations. The requested side shall actively consider and respond promptly to such request.
2. Technical consultations shall be conducted within a time frame mutually agreed by the two sides, with a view to reaching a mutually satisfactory resolution. Technical consultations may be conducted via any means mutually agreed by the two sides.
3. The two sides shall maintain communications to ensure consistency in the implementation of the mutually agreed resolution after technical consultations.

**Article 52**  
**Contact Points**

1. The two sides shall respectively designate a contact point to coordinate the implementation of this Chapter.
2. One side shall provide the other side with the name of the designated contact point and the contact details of relevant officials in that organisation, including information on telephone, facsimile, e-mail and other relevant details.
3. One side shall notify the other side promptly of any change of its contact point or any amendments to the information of the relevant responsible officials.

**CHAPTER 7**  
**TECHNICAL BARRIERS TO TRADE**

**Article 53**  
**Objectives**

The objectives of this Chapter are to:

- (i) facilitate trade in goods between the two sides and access to respective markets within the scope of this Chapter, furthering the implementation of the Agreement on Technical Barriers to Trade (hereinafter



referred to as the “TBT Agreement”) in Annex 1A to the WTO Agreement;

- (ii) reduce, wherever possible, unnecessary costs associated with trade between the two sides;
- (iii) facilitate information exchange and communication between the two sides, and enhance mutual understanding of their respective regulatory systems;
- (iv) strengthen cooperation between the two sides in the fields of technical regulations, standards and conformity assessment procedures.

## ***Article 54***

### ***Scope***

This Chapter shall apply to all standards, technical regulations, and conformity assessment procedures that may, directly or indirectly, affect trade in goods between the two sides. It shall exclude:

- (i) sanitary and phytosanitary measures covered in Chapter 6 of this Agreement;
- (ii) procurement specifications established by the competent authorities of the two sides for their production or consumption requirements.

## **Article 55**

### ***Definitions***

The terms presented in the sixth edition of the ISO/IEC Guide 2: 1991, General Terms and Their Definitions Concerning Standardisation and Related Activities, shall, when used in this Chapter, have the same meaning as given in the definitions in the said Guide taking into account that services are excluded from the coverage of this Chapter.

For the purposes of this Chapter:

- (i) **“technical regulation”** means document which lays down product characteristics or their related processes and production methods, including the applicable administrative provisions, with which compliance is mandatory. It may also include or deal exclusively with terminology, symbols, packaging, marking or labelling requirements as they apply to a product, process or production method.

#### ***Explanatory note***

The definition in ISO/IEC Guide 2 is not self-contained, but based on the so-called "building block" system.

- (ii) **“standard”** means document approved by a recognised body, that provides, for common and

repeated use, rules, guidelines or characteristics for products or related processes and production methods, with which compliance is not mandatory. It may also include or deal exclusively with terminology, symbols, packaging, marking or labelling requirements as they apply to a product, process or production method.

*Explanatory note*

The terms as defined in ISO/IEC Guide 2 cover products, processes and services. This Chapter deals only with technical regulations, standards and conformity assessment procedures related to products or processes and production methods. Standards as defined by ISO/IEC Guide 2 may be mandatory or voluntary. For the purposes of this Chapter, standards are defined as voluntary and technical regulations as mandatory documents. Standards prepared by the international standardisation community are based on consensus. This Chapter covers also documents that are not based on consensus.

- (iii) **“conformity assessment procedures”** means any procedure used, directly or indirectly, to determine that relevant requirements in technical regulations or standards are fulfilled.

### *Explanatory note*

Conformity assessment procedures include, *inter alia*, procedures for sampling, testing and inspection; evaluation, verification and assurance of conformity; registration, accreditation and approval as well as their combinations.

## **Article 56**

### *Affirmation of the TBT Agreement*

The two sides reiterate their observance of the TBT Agreement.

## **Article 57**

### *Standards*

1. With respect to the preparation, adoption and application of standards, the two sides shall take respective reasonable measures as may be available to them to ensure that their respective standardising bodies (if applicable) accept and comply with Annex 3 to the TBT Agreement.
2. For standards of interest to them, the two sides shall encourage their relevant bodies to launch cooperation on standardisation. Such cooperation shall include but is not limited to:
  - (i) exchange of information on standards;

- (ii) exchange of information relating to standard preparation procedures.

### ***Article 58***

#### ***Conformity Assessment Procedures***

1. The two sides shall seek to facilitate the acceptance of the results of conformity assessment procedures conducted in the other side, with a view to increasing efficiency and ensuring cost effectiveness of conformity assessments.
2. In the fields of electronic and electrical products, the two sides shall explore and promote mutual recognition of the certification results of originating electronic and electrical products between the Mainland and Hong Kong in order to facilitate trade.
3. The two sides agree to encourage their conformity assessment bodies to work more closely with a view to facilitating the mutual acceptance of conformity assessment results.

### ***Article 59***

#### ***Technical Cooperation***

1. The two sides agree to further strengthen technical cooperation on the basis of the Agreement on Economic and Technical Cooperation of CEPA.

2. The two sides shall strengthen cooperation in the fields of technical regulations, standards and conformity assessment procedures.

3. With a view to increasing their mutual understanding of their respective systems, enhancing capacity building and facilitating trade, the two sides shall strengthen their technical cooperation in the following areas:

- (i) communication between each other's competent authorities and exchange of information on technical regulations, standards, conformity assessment procedures and good regulatory practice;
- (ii) encouraging cooperation between conformity assessment bodies of the two sides;
- (iii) other areas as agreed by the two sides.

## ***Article 60***

### ***Measures at the Port***

Where one side detains, at a port of entry, goods exported from the other side due to a perceived failure to comply with technical regulations or conformity assessment procedures, the competent authorities shall promptly notify the importer or his representative of the reasons for the detention.

## **Article 61**

### ***Working Group on Technical Barriers to Trade***

1. The two sides agree to set up the Working Group on Technical Barriers to Trade (hereinafter referred to as the “TBT Working Group”) under the mechanism of the CEPA Joint Steering Committee. The TBT Working Group shall comprise representatives of the two sides to supervise the implementation of this Chapter.
2. Functions of the TBT Working Group include:
  - (i) monitoring the implementation of this Chapter;
  - (ii) coordinating technical cooperation activities;
  - (iii) facilitating technical consultations;
  - (iv) identifying areas for further cooperation, including actively considering any specific proposal made by either side;
  - (v) establishing a dialogue between the competent authorities in accordance with the objectives of this Chapter;
  - (vi) carrying out other functions as agreed by the two sides.
3. Unless otherwise agreed by the two sides, the TBT Working Group shall be co-chaired by the two sides and shall meet once a year. The meetings of the TBT Working Group may be conducted via any means as agreed by the two sides on a case-by-case basis, and

may be jointly convened with the meetings of the SPS Working Group established under Chapter 6 of this Agreement.

4. For the purposes of this Article, the TBT Working Group shall be coordinated by the relevant competent authorities of the two sides.

5. The two sides shall ensure that the relevant competent authorities and personnel will participate in the TBT Working Group. The TBT Working Group shall carry out its work through any communication channels as agreed by the two sides, including e-mails, tele-conferences, video conferences or other means.

## ***Article 62***

### ***Technical Consultations***

1. Where one side considers that the technical regulation or conformity assessment procedure of the other side has constituted an obstacle to its exports, it may request technical consultations. The requested side shall actively consider and respond promptly to such request.

2. Technical consultations shall be conducted within a time frame mutually agreed by the two sides, with a view to reaching a mutually satisfactory resolution. Technical consultations may be conducted via any means mutually agreed by the two sides.



### ***Article 63***

#### ***Contact Points***

1. The two sides shall respectively designate a contact point to coordinate the implementation of this Chapter.
2. One side shall provide the other side with the name of the designated contact point and the contact details of relevant officials in that organisation, including information on telephone, facsimile, e-mail and other relevant details.
3. One side shall notify the other side promptly of any change of its contact point or any amendments to the information of the relevant responsible officials.

## **CHAPTER 8**

### **TRADE REMEDIES**

### ***Article 64***

#### ***Anti-dumping Measures***

Neither side shall apply anti-dumping measures to goods imported and originated from the other side.

## ***Article 65***

### ***Subsidies and Countervailing Measures***

The two sides reiterate their observance of the Agreement on Subsidies and Countervailing Measures in Annex 1A to the WTO Agreement and Article XVI of the General Agreement on Tariffs and Trade 1994, and undertake not to apply countervailing measures to goods imported and originated from each other.

## ***Article 66***

### ***Safeguards***

If the implementation of this Agreement causes sharp increase in the import of a product originating from the other side which has caused or threatened to cause serious injury to the affected side's domestic industry that produces like or directly competitive products, the affected side may, after giving written notice, temporarily suspend the concessions on the import of the concerned product from the other side, and shall, at the request of the other side, promptly commence consultations under Article 19 in Chapter 6 of CEPA in order to reach an agreement.

**CHAPTER 9**  
**TRADE FACILITATION MEASURES IN**  
**THE GUANGDONG-HONG KONG-MACAO GREATER BAY AREA**

***Article 67***

*Scope and Objectives*

1. Trade in goods between the municipalities of Guangzhou, Shenzhen, Zhuhai, Foshan, Huizhou, Dongguan, Zhongshan, Jiangmen and Zhaoqing in Guangdong Province (hereinafter referred to as “the nine Pearl River Delta municipalities”) in the Guangdong-Hong Kong-Macao Greater Bay Area (Greater Bay Area) and Hong Kong forms an integral part of this Agreement.
2. The objectives of this Chapter are to:
  - (i) meet with international high-standard trade rules, facilitate the convenient flow of goods, and promote trade liberalisation. To expand and improve the functions of control points, implement more convenient customs clearance modes at the control points in the Greater Bay Area in accordance with the law, and enhance the customs clearance capacity and efficiency of the control points in Guangdong and Hong Kong;
  - (ii) highlight the roles of the Greater Bay Area as a core and a hub, and develop the Greater Bay Area into a demonstration focused area with convenient and

efficient flow of factors of production; leverage the radiating and leading functions of the Greater Bay Area in driving the development of the Pan-Pearl River Delta region and creating a business environment that is globally competitive.

### ***Article 68***

#### ***Trade Facilitation Measures in the Guangdong-Hong Kong-Macao Greater Bay Area***

The two sides agree, on the principles of mutually beneficial cooperation and facilitation of coordinated development, that the nine Pearl River Delta municipalities and Hong Kong shall implement the following measures:

- (i) to explore facilitation measures for expedited cross-boundary customs clearance in the nine Pearl River Delta municipalities, and gradually expand the measures to the city cluster on the West Coast of the Taiwan Straits and the Beibu Gulf City Cluster;
- (ii) to explore the inter-connectivity of the single windows and study the mechanism for control point information exchange;
- (iii) the two sides to jointly study and explore the feasibility of compatible electronic information format for goods between the customs administrations of the Mainland and Hong Kong;

- (iv) to publish periodically the overall customs clearance time for goods, and to further shorten the overall customs clearance time for goods;
- (v) to promote the mutual recognition of inspection and quarantine results on low risk goods, except for plants and animals and products from plants and animals, food and medicines, between the two sides;
- (vi) to explore the expansion of the scope of acceptance of third party inspection, testing and certification results with respect to commodities and institutions, and provide expedited customs clearance treatment;
- (vii) on the basis of consensus reached between the General Administration of Customs of the People's Republic of China and the competent authorities of Hong Kong, to implement facilitation measures for food processed in Hong Kong with materials originating from the Mainland.

## **CHAPTER 10**

### **OTHER PROVISIONS**

#### ***Article 69***

##### ***Exceptions***

The provisions in this Agreement and its Annex shall not affect the ability of one side to maintain or adopt exception measures consistent with the rules of the WTO.

#### ***Article 70***

##### ***Annex***

The Annex to this Agreement forms an integral part of this Agreement.

#### ***Article 71***

##### ***Coming into Effect and Implementation***

This Agreement shall come into effect on the day of signature by the representatives of the two sides, and shall be implemented on 1 January 2019.

This Agreement is signed in duplicate in the Chinese language.

This Agreement is signed on 14 December 2018 in Hong Kong.

China International Trade  
Representative and  
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)