Annex

Supplements and Amendments III to the Mainland's Specific Commitments on Liberalization of Trade in Services for Hong Kong[®]

| Sectors or sub-sectors | 1. Business services |
|------------------------|--|
| | A. Professional services |
| | a. Legal services (CPC861) |
| | 1. To waive the requirement on the number of full-time lawyers employed by Mainland law firms that operate in association with Hong Kong law firms (offices). |
| | 2. To waive the residency requirement in the Mainland for representatives stationed in representative offices of Hong Kong law firms (offices) in the Mainland. |
| | 3. To allow Hong Kong residents who have acquired Mainland lawyer qualifications or legal professional qualifications and hold a Mainland lawyer's practice certificate to engage in activities as agents in matrimonial and succession cases relating to Hong Kong in the capacity of Mainland lawyers. |
| | 4. To allow Hong Kong barristers to act as agents in civil litigation cases in the Mainland in the capacity of citizens. |
| | 5. To allow Hong Kong residents who have acquired Mainland lawyer qualifications or legal professional qualifications to undergo internship in a branch office of a Mainland law firm set up in Hong Kong in accordance with the <i>Outline for Practical Training and the Guidelines on Practical Training</i> as required in the Mainland. |

^o 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.

| Sectors or Sub-sectors | 1. Business services |
|---------------------------|---|
| | A. Professional Services |
| | Construction engineering cost consulting services |
| Specific commitments | 1. To allow Hong Kong service suppliers to set up wholly-owned construction engineering cost consulting enterprises in the Mainland. |
| | 2. When applying for qualification, the performance of the Hong Kong service suppliers in both Hong Kong and the Mainland is taken into account in assessing their qualification in the Mainland. |

| Sectors or sub-sectors | 1. Business services |
|-------------------------|--|
| | B. Computer and related services |
| | Information technology services |
| Specific commitments | Application for qualification of computer information system integration of the Mainland by Hong Kong service suppliers will be assessed in accordance with the following criteria: |
| | There will be no assessment on the requirement in respect of professional job title, but related academic qualifications and working experience should be assessed; |
| | (2) Business turnover in system integration includes projects undertaken in the Mainland and in Hong Kong; |
| | (3) In respect of enterprises applying for Level 3 Certification, the number of persons involved in software development and system integration should not be less than 40, of which the number of persons holding academic qualification at undergraduate or higher level university degree should not be less than 80%. Other assessment criteria will be implemented in accordance with the relevant provisions of the |
| | Mainland regulations. |

| Sectors or sub-sectors | 1. Business services |
|---------------------------|--|
| | F. Other business services |
| | Convention services and exhibition services (CPC87909) |
| Specific commitments | To allow Hong Kong service suppliers to set up wholly-owned enterprises or enterprises in the form of equity joint venture or contractual joint venture in the Mainland to provide services for organizing exhibitions in Hong Kong and Macao. |

| Sectors or | 2. Communications services |
|-------------------------|--|
| sub-sectors | |
| | D. Audiovisual services |
| | Videos distribution services (CPC83202), Sound recording products distribution services |
| | Cinema theatre services |
| | Chinese language motion pictures and motion pictures jointly produced |
| | Technical services of cable television |
| | Jointly produced Television dramas |
| | Others |
| Specific commitments | The State Administration of Radio, Film and Television has delegated to the provincial radio and television administration the authority of examining the finished tapes of Mainland television dramas produced by the production organizations under the provinces, autonomous regions or municipalities and participated by artistes or production crew from Hong Kong. |

| Sectors or sub-sectors | 4. Distribution services |
|-------------------------|--|
| | A. Commission agents' services (excluding salt and tobacco) |
| | B. Wholesale trade services (excluding salt and tobacco) |
| | C. Retailing services (excluding tobacco) |
| | D. Franchising |
| Specific commitments | For the same Hong Kong service supplier which opens more than 30 stores accumulatively in the Mainland, if the commodities for sale include books, newspapers, magazines, pharmaceutical products, pesticides, mulching films, chemical fertilizers, staple food, vegetable oil, edible sugar and cotton, and the above commodities are of different brands and come from different suppliers, the Hong Kong service supplier is allowed to become the controlling shareholder, with the proportion of capital contribution not exceeding 65%. ^① |

 $^{^{\}scriptscriptstyle 0}$ If the commodity for sale is processed oil, the Mainland's commitments to members of the World Trade Organization are still applicable.

| Sectors or sub-sectors | 9. Tourism and travel related services |
|-------------------------|--|
| | A. Hotels (including apartment buildings) and restaurants (CPC641-643) |
| | B. Travel agency and tour operator (CPC7471) |
| | D. Others |
| Specific commitments | To allow Hong Kong travel agents established on a wholly-owned or joint venture basis in Guangdong Province to apply for the operation on a pilot basis of group tours to Hong Kong and Macao for residents of Guangdong Province (residents registered with permanent residence in Guangdong Province). |

| Sectors or sub-sectors | 11. Transport services |
|---------------------------|---|
| | C. Air transport services |
| | Airport operation services (excluding cargo handling) (CPC74610) |
| | Other supporting services for air transport (CPC74690) |
| | Sales and marketing services for air transport |
| Specific commitments | To allow Hong Kong air transport sales agencies to set up wholly-owned air transport sales agencies in the Mainland. The registered capital requirement will be the same as that for the Mainland enterprises. |

| Sectors or sub-sectors | 11. Transport services |
|-------------------------|--|
| | F. Road transport services |
| | Freight transportation by road in trucks or cars (CPC7123) |
| | Road passenger transportation (CPC 7121, 7122) |
| | Road freight transport station (depot) |
| | Motor vehicle repair |
| Specific commitments | To allow Hong Kong service suppliers to set up wholly-owned enterprises in the Mainland to operate the following road transport-related services: |
| | - road freight transport station (depot); and - motor vehicle repair. |

| Sectors or | Service sectors (sectors not set out in GNS/W/120) |
|-------------------------|--|
| sub-sectors | Individually owned stores |
| Specific commitments | To allow Hong Kong permanent residents with Chinese citizenship to set up, in accordance with the relevant Mainland laws, regulations and administrative regulations, individually owned stores in all provinces, autonomous regions and, municipalities directly under the Central Government in the Mainland without being subject to the approval procedures applicable to foreign investments, to provide the following services (excluding franchising operation): crop cultivation; animal husbandry; aquaculture; computer repair services; technology exchange and promotion services. No more than 8 persons should be engaged in the operation of the individually owned stores. |