

## **Mainland and Hong Kong Closer Economic Partnership Arrangement (CEPA)**

### **Frequently Asked Questions**

#### ***Accounting Services***

**1. Is there any exemption on qualification examinations for the accountancy sector in the Mainland under CEPA?**

Yes. Under Supplement VI to CEPA, Hong Kong residents who have formally become members of the Hong Kong Institute of Certified Public Accountants (HKICPA) on or before 31 March 2009 are exempted from the “Finance and Accounting” paper when sitting for the Mainland’s Certified Tax Agent qualification examination.

#### **Supplementary agreements on accounting under CEPA**

Under the CEPA framework, the Financial Services and the Treasury Bureau and the Ministry of Finance signed agreements in 2004, 2008 and 2010 respectively on mutual exemption of examination papers. Individuals who have passed the Qualification Programme of the HKICPA would be exempted from four papers under the Uniform Certified Public Accountant Examination of the Mainland, namely “Financial Management and Cost Management”, “Auditing”, “Accounting” and “Corporate Strategies and Risk Management”.

**2. What are the required application materials for Hong Kong accounting firms to carry out temporary auditing business in the Mainland?**

Under Supplement IX to CEPA, the documentation requirements for applications for conducting business on a temporary basis in the Mainland by Hong Kong accounting firms were further simplified. For details, please refer to “Notice on Simplifying the Application Materials Required for Hong Kong and Macao Accounting Firms Carrying out Temporary Auditing Business in the Mainland” (Circular of the Ministry of Finance No. 16 – Sept 2012) (in Chinese only). Relevant hyperlink of the circular can be found on the website of the Trade and Industry Department: [https://www.tid.gov.hk/en/our\\_work/cepa/trade\\_in\\_services/sectors/accounting.html?tab=1](https://www.tid.gov.hk/en/our_work/cepa/trade_in_services/sectors/accounting.html?tab=1).

The validity period of the “Provisional Licence to Perform Audit-Related Services” applied for by Hong Kong accounting firms for the purpose of conducting auditing business on a temporary basis in the Mainland is five years.

**3. What are the requirements that Hong Kong accounting professionals need to fulfil in order to become partners of accounting firms in the Mainland?**

Under the Agreement on Trade in Services of CEPA signed on 27 November 2015 (the Agreement), Hong Kong permanent residents who have obtained the Chinese Certified Public Accountants qualification can be partners of partnership accounting firms in the whole Mainland. The Agreement commences with effect from 1 June 2016. Details of the relevant requirements are set out in the [“Regulation on Practice Licensing and Supervision of Accounting Firms”](#) (in Chinese only).

In accordance with the Agreement, when applying for a practising qualification in the Mainland, auditing experience acquired in Hong Kong by members of the HKICPA is deemed equivalent to the same period of audit work experience in the Mainland. The Ministry of Finance has issued [“Notice by the Ministry of Finance on Issues Concerning Vigorously Supporting Accounting Professionals from Hong Kong and Macao Special Administrative Regions in Serving as Partners of Accounting Firms in the Mainland”](#) (No. 9 [2016] Ministry of Finance) (in Chinese only) on 16 May 2016 to implement the said arrangement.