

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

Frequently Asked Questions

Advertising Services

1. Can a Hong Kong advertising company set up a joint-venture advertising company with majority ownership in the Mainland?

Through CEPA, Hong Kong advertising companies can set up wholly-owned advertising firms in the Mainland. They can also choose to set up joint-venture advertising firms with majority ownership in the Mainland.

2. What does “advertising services” cover?

The definition of “advertising services” under CEPA is the same as that adopted in Annex 9 of China’s Schedule of Commitments for the World Trade Organization. This includes sales or leasing of advertising space or time; planning, creating and placement of advertising; and other advertising services (including outdoor advertising services).

3 Can an individual set up an individually owned store to conduct advertising businesses in the Mainland?

Under CEPA, Hong Kong Service Suppliers in the advertising services sector must be an enterprise juridical person (including company, partnership, sole proprietorship, etc). Yet, Hong Kong permanent residents with Chinese citizenship are allowed to set up, in accordance with the relevant Mainland laws, regulations and administrative regulations, individually owned stores in all provinces, autonomous regions, municipalities in the Mainland to provide advertising services.

From 1 March 2025, Hong Kong Service Suppliers are also allowed to provide advertising services in the mode of cross-border supply.