

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

Frequently Asked Questions

Construction and Related Engineering Services

1. How to establish a foreign-invested construction and related engineering enterprise in the Mainland?

Enquiries concerning the application procedures and requirements for the establishment of foreign-invested construction and related engineering enterprises in the Mainland can be directed to :

The Ministry of Housing and Urban-Rural Development (MOHURD) of the People's Republic of China
(Website : <http://www.mohurd.gov.cn>)

The Ministry of Commerce of the People's Republic of China
(Website : <http://www.mofcom.gov.cn>)

2. What relevant Mainland rules/regulations governing the sector of construction and related engineering services relating to the implementation of commitments under CEPA are currently available for reference?

Links to the relevant Mainland rules and regulations governing the sector of construction and related engineering services in the Mainland can be found at the Trade and Industry Department's website (https://www.tid.gov.hk/en/our_work/cepa/trade_in_services/sectors/construction_engineering.html).

3. How can the Hong Kong construction and related engineering industry benefit from the liberalisation measures of the Agreement on Trade in Services (the Agreement) signed on 27 November 2015?

The Agreement covers the commitments relating to liberalisation of trade in services provided under CEPA and its Supplements and also the Agreement between the Mainland and Hong Kong on Achieving Basic Liberalisation of Trade in Services in Guangdong. In respect of the construction and related engineering services, the Agreement has extended

the geographical coverage of the specific commitments in the form of negative list from Guangdong to the whole Mainland. Except for those reserved restrictive measures, the Mainland does not impose any particular restrictions for eligible Hong Kong Service Suppliers, i.e. national treatment applies. The sub-sectors concerned are as follows :

- Architectural and design services (CPC8671)
- Engineering services (CPC8672)
- Integrated engineering services (CPC8673)
- Urban planning and landscape architectural services (CPC8674)
- Real estate services involving own or leased property (CPC821)
- Real estate services on a fee or contract basis (CPC822)
- General construction work for buildings (CPC512)
- General construction work for civil engineering (CPC513)
- Installation and assembly work (CPC514+516)
- Building completion and finishing work (CPC517)
- Other (CPC511+515+518)

The above sub-sectors in general covers all the existing service areas of the construction and related engineering industry. Moreover, the Agreement expands most of the liberalisation measures in the form of positive list from Guangdong to Guangxi and Fujian. The sub-sectors concerned include :

- Architectural and design services (CPC8671)
- Engineering services (CPC8672)
- Integrated engineering services (CPC8673)
- Urban planning and landscape architectural services (CPC8674)

Hong Kong construction and related engineering industry can further benefit from the liberalisation measures.

- 4. Under the positive list of the Agreement on Trade in Services, Hong Kong residents who meet the relevant requirements are allowed to take the professional and technical personnel qualification examinations for registered architects, registered structural engineers, registered land surveying and design engineers etc. Corresponding qualification certificates will be issued to those who have passed the examinations. How can Hong Kong benefit from this liberalisation measure?**

The MOHURD is of the view that mutual recognition of professional

qualification is an arrangement mainly for senior professionals. In the long run, Hong Kong residents should, same as the Mainland residents, take examinations and fulfil the relevant requirements in order to obtain professional qualification in the Mainland. Therefore, the liberalisation measure allows Hong Kong young people to obtain professional qualifications through examinations. This will bring more job opportunities for them in the Mainland in the future.

5. What are the liberalisation measures for the sector of construction and related engineering services provided in the Amendment to the CEPA Agreement on Trade in Services (the Amendment Agreement) signed on 21 November 2019?

In addition to all liberalisation measures provided in the Agreement on Trade in Services signed on 27 November 2015, the Amendment Agreement introduces new liberalisation measures for the sector of construction and related engineering services and thus making it easier for service suppliers and professionals in the sector to set up enterprises and develop business in the Mainland, including:

- To remove the restriction that the Mainland party shall be the controlling shareholder for the construction, operation and overall architectural works of integrated water networks.
- To allow professionals who have obtained the qualification of General Practice Surveyors in Hong Kong to directly register for practice in Qianhai of Shenzhen, Hengqin of Zhuhai and Nansha of Guangzhou and enable them to provide property valuation services.
- For architects and structural engineers registered in Hong Kong who were employed by Mainland construction and related engineering enterprises, the assessment of their qualification requirement for being the key professionals is relaxed to take into consideration their academic qualifications, years of practice in construction design, the Hong Kong registration qualification, the performance and reputation in the construction design sector etc., but not their titles.
- To extend the locations in the Mainland where Hong Kong professionals of the construction and related engineering services sectors who have obtained Mainland's related qualifications either

through mutual recognition or examination are allowed to register and practice, from Guangdong, Guangxi and Fujian to the whole Mainland.

- To further extend the scope of mutual recognition of professional qualifications by renewing the expired agreements for mutual recognition of professional qualifications, including agreements between structural engineers in Hong Kong and the Mainland, planners in Hong Kong and urban planners in the Mainland, building surveyors in Hong Kong and supervision engineers in the Mainland, and architects in Hong Kong and the Mainland.
- To arrange for mutual recognition of qualifications between architects, structural engineers and building surveyors who possess the membership of professional institutions in Hong Kong and those possessing the relevant membership of corresponding institutions in the Mainland.

Hong Kong Service Suppliers are allowed to complete all the mandatory courses of continuing education for mutual recognition of professional qualifications in Hong Kong.

6. In which way the Amendment Agreement can provide assistance to the sector of construction and related engineering services in Hong Kong to grasp the opportunities brought by the Development of the Greater Bay Area and the Guangdong Free Trade Zones and start their business in those areas?

For the first time, professionals who have obtained the qualification of General Practice Surveyors in Hong Kong are allowed to directly register for practice in Qianhai of Shenzhen, Hengqin of Zhuhai and Nansha of Guangzhou and enable them to provide property valuation services under the Amendment Agreement. This breakthrough measure encourages more Hong Kong professionals to provide service in the Free Trade Zones and access this huge potential market.

7. In which way the Amendment Agreement can facilitate Hong Kong professionals in the sector of construction and related engineering services to extend their relevant professional qualifications in the Mainland obtained through mutual recognition?

Different from the previous arrangement, it is the first time that Hong Kong professionals are allowed to opt for completing all the mandatory courses of continuing education for mutual recognition of professional qualification in Hong Kong so as to extend their registered professional qualifications in the Mainland under the Amendment Agreement. This measure enables Hong Kong professionals to flexibly arrange their schedule as they are no longer required to travel back to the Mainland to complete relevant courses.