## ASEAN - HONG KONG, CHINA FREE TRADE AGREEMENT

# Specific Commitments<sup>1</sup> of ASEAN Member States (AMS) on Audiovisual Services and Other Communication Services

| initiates of supply 1 | Modes of supply <sup>2</sup> : | 1) | Cross-border supply | 2) | Consumption abroad | 3) | Commercial presence | 4) | Presence of natural persons |
|-----------------------|--------------------------------|----|---------------------|----|--------------------|----|---------------------|----|-----------------------------|
|-----------------------|--------------------------------|----|---------------------|----|--------------------|----|---------------------|----|-----------------------------|

| AMS        | Sector or Sub-sector | Limitations on Market Access | Limitations on National Treatment |
|------------|----------------------|------------------------------|-----------------------------------|
| Brunei     | No commitment        | Not applicable               | Not applicable                    |
| Darussalam |                      |                              |                                   |

<sup>&</sup>lt;sup>1</sup> As extracted from the Schedules of Specific Commitments of ASEAN Member States. The full schedules can be found in Trade and Industry Department's website at <a href="http://www.tid.gov.hk/english/ita/fta/hkasean/text">http://www.tid.gov.hk/english/ita/hkasean/text</a> agreement.html.

<sup>&</sup>lt;sup>2</sup> See explanatory note at Annex.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

AMS Sector or Sub-sector Limitations on Market Access Limitations on National Treatment

| AMS      | Sector or Sub-sector | Limitations on Market Access | Limitations on National Treatment |
|----------|----------------------|------------------------------|-----------------------------------|
| Cambodia | No commitment        | Not applicable               | Not applicable                    |

| AMS       | Sector or Sub-sector | Limitations on Market Access | Limitations on National Treatment |  |  |
|-----------|----------------------|------------------------------|-----------------------------------|--|--|
| Indonesia | No commitment        | Not applicable               | Not applicable                    |  |  |

| AMS      | Sector or Sub-sector | Limitations on Market Access | Limitations on National Treatment |
|----------|----------------------|------------------------------|-----------------------------------|
| Laos PDR | No commitment        | Not applicable               | Not applicable                    |

| AMS      | Sector or Sub-sector                 |    | Limitations on Market Access         |    | Limitations on National Treatment  |
|----------|--------------------------------------|----|--------------------------------------|----|------------------------------------|
| Malaysia | D. Audiovisual Services              |    |                                      |    |                                    |
|          | Motion picture, video tape and audio | 1) | Commercial presenceis                | 1) | Unbound                            |
|          | recording distribution services      |    | required                             |    |                                    |
|          | (CPC 96113)                          |    |                                      | 0) |                                    |
|          |                                      | 2) | None                                 | 2) | None                               |
|          |                                      | 3) | Only through a locally               | 3) | None                               |
|          |                                      | ,  | incorporated joint-venture           |    |                                    |
|          |                                      |    | corporation withMalaysian            |    |                                    |
|          |                                      |    | individuals or Malaysian-controlled  |    |                                    |
|          |                                      |    | corporations or both and the         |    |                                    |
|          |                                      |    | aggregate foreign shareholding       |    |                                    |
|          |                                      |    | shall not exceed 30 per cent.        |    |                                    |
|          |                                      | 4) | Unbound except as indicated in 1     | 4) | Unbound, except for the categories |
|          |                                      | 1  | (a) and (b) and 2 (a) and (c) in the |    | natural persons referred to under  |
|          |                                      |    | horizontal section.                  |    | market access.                     |

| AMS     | Sector or Sub-sector                          | Limitations on Market Access | Limitations on National Treatment |
|---------|-----------------------------------------------|------------------------------|-----------------------------------|
| Myanmar | D. Audiovisual Services                       |                              |                                   |
|         | Motion Picture Projection Services (CPC 9612) | 1) None                      | 1) None                           |
|         |                                               | 2) None                      | 2) None                           |
|         |                                               | 3) Unbound                   | 3) Unbound                        |
|         |                                               | 4) Unbound                   | 4) Unbound                        |
|         | Cinema Theatre Services                       | 1) None                      | 1) None                           |
|         |                                               | 2) None                      | 2) None                           |
|         |                                               | 3) Unbound                   | 3) Unbound                        |
|         |                                               | 4) Unbound                   | 4) Unbound                        |

| AMS         | Sector or Sub-sector | Limitations on Market Access | Limitations on National Treatment |
|-------------|----------------------|------------------------------|-----------------------------------|
| The         | No commitment        | Not applicable               | Not applicable                    |
| Philippines |                      |                              |                                   |

| AMS       |       | Sector or Sub-sector                                 |    | Limitations on Market Access       |    | Limitations on National Treatment |
|-----------|-------|------------------------------------------------------|----|------------------------------------|----|-----------------------------------|
| Singapore | D. Au | udiovisual Services                                  |    |                                    |    |                                   |
|           | (i)   | the services covered are production,                 | 1) | None                               | 1) | None                              |
|           |       | distribution and public display of                   |    |                                    |    |                                   |
|           |       |                                                      | 2) | None                               | 2) | None                              |
|           |       | - motion pictures                                    |    |                                    |    |                                   |
|           |       |                                                      | 3) | None                               | 3) | None                              |
|           |       | <ul> <li>video recordings</li> </ul>                 |    |                                    |    |                                   |
|           |       |                                                      | 4) | Unbound except as indicated in the | 4) | Unbound                           |
|           |       | - sound recordings, except where                     |    | horizontal Section                 |    |                                   |
|           |       | excluded under (ii)<br>(CPC 9611, CPC 9612)          |    |                                    |    |                                   |
|           |       | (CrC 3011, CrC 3012)                                 |    |                                    |    |                                   |
|           | (ii)  | All broadcasting and AV services and                 |    |                                    |    |                                   |
|           |       | materials that are broadcasting-                     |    |                                    |    |                                   |
|           |       | related are excluded, examples being                 |    |                                    |    |                                   |
|           |       |                                                      |    |                                    |    |                                   |
|           |       | - Free-to-air broadcasting                           |    |                                    |    |                                   |
|           |       |                                                      |    |                                    |    |                                   |
|           |       | - Cable and pay television                           |    |                                    |    |                                   |
|           |       | Dinast has a deadle to the actallity                 |    |                                    |    |                                   |
|           |       | <ul> <li>Direct broadcasting by satellite</li> </ul> |    |                                    |    |                                   |
|           |       | - Teletext                                           |    |                                    |    |                                   |

| AMS      | Sector or Sub-sector                                                                                                |    | Limitations on Market Access                  |    | Limitations on National Treatment      |
|----------|---------------------------------------------------------------------------------------------------------------------|----|-----------------------------------------------|----|----------------------------------------|
| Thailand | D. Audiovisual Services                                                                                             |    |                                               |    |                                        |
|          | (a) Motion picture and video tape production and distribution services:                                             | 1) | Unbound                                       | 1) | Unbound                                |
|          |                                                                                                                     | 2) | None                                          | 2) | None                                   |
|          | Film/video production and distribution services, excluding promotion or advertising services  (CPC 96112**+96113**) |    | As indicated in 3.1 of the horizontal section | 3) | As indicated in the horizontal section |
|          |                                                                                                                     | 4) | As indicated in the horizontal section        | 4) | As indicated in the horizontal section |
|          | Video tape production services for scientific education                                                             | 1) | Unbound                                       | 1) | Unbound                                |
|          | (CPC Version 1.1: 96121**)                                                                                          | 2) | None                                          | 2) | None                                   |
|          |                                                                                                                     | 3) | As indicated in 3.2 of the horizontal section | 3) | As indicated in the horizontal section |
|          |                                                                                                                     | 4) | Unbound                                       | 4) | Unbound                                |
|          | (c) Radio and television services (CPC 9613):                                                                       |    |                                               |    |                                        |
|          | Radio/television services only for production of radio/TV programmes                                                | 1) | Unbound                                       | 1) | Unbound                                |

| AMS |     | Sector or Sub-sector                                                |    | Limitations on Market Access                  |    | Limitations on National Treatment      |
|-----|-----|---------------------------------------------------------------------|----|-----------------------------------------------|----|----------------------------------------|
|     |     | (CPC 96131**+96132**)                                               | 2) | None                                          | 2) | None                                   |
|     |     |                                                                     | 3) | As indicated in 3.1 of the horizontal section | 3) | As indicated in the horizontal section |
|     |     |                                                                     | 4) | As indicated in the horizontal section        | 4) | As indicated in the horizontal section |
|     | (e) | Sound recording services:                                           | 1) | None                                          | 1) | None                                   |
|     |     | Production of sound recording only (exclude all broadcasting and AV | 2) | None                                          | 2) | None                                   |
|     |     | services)                                                           | 3) | As indicated in 3.1 of the horizontal section | 3) | As indicated in the horizontal section |
|     |     |                                                                     | 4) | Unbound                                       | 4) | Unbound                                |

| AMS      | Sector or Sub-sector                                                                                                               |    | Limitations on Market Access                                     |    | <b>Limitations on National Treatment</b> |  |  |  |  |
|----------|------------------------------------------------------------------------------------------------------------------------------------|----|------------------------------------------------------------------|----|------------------------------------------|--|--|--|--|
| /iet Nam | D. Audiovisual Services                                                                                                            |    |                                                                  |    |                                          |  |  |  |  |
|          | With regard to motion picture production, distribution and projection services, all films must have their content censored by Viet |    |                                                                  |    |                                          |  |  |  |  |
|          | Nam's competent authorities.                                                                                                       |    |                                                                  |    |                                          |  |  |  |  |
|          | - Motion picture distribution                                                                                                      | 1) | Unbound.                                                         | 1) | Unbound.                                 |  |  |  |  |
|          | (CPC 96113, excl. video tape)                                                                                                      |    |                                                                  |    |                                          |  |  |  |  |
|          |                                                                                                                                    | 2) | None.                                                            | 2) | None.                                    |  |  |  |  |
|          |                                                                                                                                    | 3) | Only through business cooperation contract or joint venture with | 3) | None.                                    |  |  |  |  |
|          |                                                                                                                                    |    | Vietnamese partners who are                                      |    |                                          |  |  |  |  |
|          |                                                                                                                                    |    | authorized to provide these services                             |    |                                          |  |  |  |  |
|          |                                                                                                                                    |    | in Viet Nam. Foreign capital                                     |    |                                          |  |  |  |  |
|          |                                                                                                                                    |    | contribution shall not exceed 51% of                             |    |                                          |  |  |  |  |
|          |                                                                                                                                    |    | the legal capital of the joint venture.                          |    |                                          |  |  |  |  |
|          |                                                                                                                                    | 4) | Unbound, except as indicated in                                  | 4) | Unbound, except as indicated in          |  |  |  |  |
|          |                                                                                                                                    |    | the horizontal section.                                          |    | the horizontal section.                  |  |  |  |  |
|          | (b) Motion picture projection service (CPC 96121)                                                                                  | 1) | Unbound.                                                         | 1) | Unbound.                                 |  |  |  |  |
|          |                                                                                                                                    | 2) | None.                                                            | 2) | None.                                    |  |  |  |  |
|          |                                                                                                                                    | 3) | Only through business cooperation                                | 3) | None.                                    |  |  |  |  |
|          |                                                                                                                                    |    | contracts or joint venture with                                  |    |                                          |  |  |  |  |

| AMS | Sector or Sub-sector | Limitations on Market Access |                                      |    | Limitations on National Treatment   |  |  |
|-----|----------------------|------------------------------|--------------------------------------|----|-------------------------------------|--|--|
|     |                      |                              | Vietnamese partners who are          |    |                                     |  |  |
|     |                      |                              | authorized to provide these services |    |                                     |  |  |
|     |                      |                              | in Viet Nam. Foreign capital         |    |                                     |  |  |
|     |                      |                              | contribution shall not exceed 51% of |    |                                     |  |  |
|     |                      |                              | legal capital.                       |    |                                     |  |  |
|     |                      |                              | Viet Nam's houses of culture, film   |    |                                     |  |  |
|     |                      |                              | projection place, public cinema      |    |                                     |  |  |
|     |                      |                              | clubs and societies and mobile       |    |                                     |  |  |
|     |                      |                              | projection teams are not allowed to  |    |                                     |  |  |
|     |                      |                              | engage in business cooperation       |    |                                     |  |  |
|     |                      |                              | contract or joint-venture with       |    |                                     |  |  |
|     |                      |                              | foreign service suppliers.           |    |                                     |  |  |
|     |                      | 4)                           | Unbound, except as indicated in the  | 4) | Unbound, except as indicated in the |  |  |
|     |                      |                              | horizontal section.                  |    | horizontal section.                 |  |  |
|     | (e) Sound recording  | 1)                           | Unbound.                             | 1) | Unbound.                            |  |  |
|     |                      | 2)                           | None.                                | 2) | None.                               |  |  |
|     |                      | 3)                           | Unbound.                             | 3) | Unbound.                            |  |  |
|     |                      | 4)                           | Unbound, except as indicated in      | 4) | Unbound, except as indicated in     |  |  |

|     | Modes of supply: | : 1)                 | Cross-border supply | 2) | Consumption abroad | 3)                           | Commercial presence | 4) | Presence of natural persons       |
|-----|------------------|----------------------|---------------------|----|--------------------|------------------------------|---------------------|----|-----------------------------------|
| AMS |                  | Sector or Sub-sector |                     |    | Limitati           | Limitations on Market Access |                     |    | Limitations on National Treatment |
|     |                  |                      |                     |    | the horiz          | the horizontal section.      |                     |    | the horizontal section.           |

#### **EXPLANATIONS OF THE FOUR MODES OF SUPPLY FOR TRADE IN SERVICES**

#### **Cross Border Supply (Mode 1)**

The cross border mode of supply refers to the supply of service from the area of an FTA party into the area of the other FTA party. If Party A of an FTA makes commitment in respect of Mode 1, a service supplier of the other Party of the FTA (i.e. Party B) can supply the service within the area of Party B to service consumers in the area of Party A, without being physically present in the area of Party A. An example is the supply of consultancy service through telecommunications, fax or mail etc.

#### Consumption Abroad (Mode 2)

The consumption abroad mode of supply refers to the supply of service in the area of an FTA party to the service consumer of the other FTA party. If Party A of an FTA makes commitment in respect of Mode 2, a service supplier of Party B can, within the area of Party B, provide the service to consumers of Party A who are present in the area of Party B. An example is the supply of hotel services.

## Commercial Presence (Mode 3)

The commercial presence mode of supply refers to the supply of service by a service supplier of an FTA party, through commercial presence in the area of the other FTA party. If Party A of an FTA makes commitment in respect of Mode 3, a service supplier of Party B can provide the service within the area of Party A through commercial presence in the area of Party A. This covers the presence of juridical persons (e.g. corporations, joint ventures, partnership, sole proprietorship, trust, association) as well as representative offices, branches etc.

### **Movement of Natural Person (Mode 4)**

The movement of natural person mode of supply refers to the supply of service by a service supplier of an FTA party, through the presence of their natural persons in the area of the other FTA party. If Party A of an FTA makes commitment in respect of Mode 4, a service supplier of Party B can provide the service within the area of Party A through the presence of natural persons of Party B. This covers natural persons who are themselves service suppliers, as well as natural persons who are employees of service suppliers (e.g. accountants of accounting firms).