## <u>Annex</u>

## The Mainland's New Liberalisation Measures on Trade in Services under the Amendment Agreement

Services Sectors	New Liberalisation Measures	Nature	Benefits
Legal services	Partnership associations set up by Hong Kong and Mainland law firms		
	To remove the restriction on the minimum capital input ratio of the Hong Kong law firms (currently 30%)	Removing the restriction on the minimum capital input ratio	Beneficial to small and medium-sized law firms to enter the Mainland legal services market by way of partnership associations.
	<ul> <li>Partnership associations set up in the Guangdong Province:</li> <li>1) the Mainland lawyers can handle and undertake legal matters on administrative litigation related to the application of Mainland law.</li> </ul>	Relaxing the restriction on business scope	Enlarging the scope of legal matters which partnership associations can handle and undertake.

Services Sectors	New Liberalisation Measures	Nature	Benefits
	<ol> <li>Mainland and Hong Kong lawyers can be employed direct in partnership associations' own name.</li> </ol>	Relaxing the employment restriction	Enhancing the flexibility of partnership associations in the employment of personnel and strengthen the sense of belonging to the partnership associations of the lawyers employed.
	<ol> <li>the requirement on the number of seconded lawyers can be suitably reduced.</li> </ol>	Relaxing the secondment requirement	Enhancing the flexibility of partnership associations in the arrangement on secondment of lawyers.
	Legal Consultants		
	To allow Hong Kong legal practitioners <sup>1</sup> to be employed as legal consultants by not more than 3 Mainland law firms simultaneously.	Relaxing the employment restriction	Beneficial to Hong Kong legal practitioners to provide more legal consultant services in the Mainland.

Services Sectors	New Liberalisation Measures	Nature	Benefits
	The current approval requirement for the employment of Hong Kong legal practitioners as legal consultants will be changed to filing procedures. Annual registration is not required.	Facilitation measure	Simplifying the employment procedures of Hong Kong legal practitioners as legal consultants by Mainland law firms is beneficial to the long- term co-operation of both sides.
	<ul> <li>Practice</li> <li>To allow Hong Kong legal practitioners to obtain practice qualification in the nine Pearl River Delta municipalities of the Guangdong-Hong Kong-Macao Greater Bay Area by passing the special examination and to engage in matters on specific areas of Mainland law.</li> </ul>	Relaxing the practice restriction	Enhancing the opportunities for Hong Kong legal professionals to participate in the Mainland market.
Accounting services	<ul> <li>Partnership Accounting Firms</li> <li>To remove the requirement that the right of control over accounting firms should be held by Mainland residents.</li> </ul>	Removing the restriction on equity shareholding	Facilitating Hong Kong accountants to develop business in the Mainland.

Services Sectors	New Liberalisation Measures	Nature	Benefits
Construction and related engineering services	Locations in the Mainland where Hong Kong professionals of the construction and related engineering services sectors are allowed to register and practise		
	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.	Relaxing the restriction on practicing location	Helping Hong Kong professionals and enterprises of the construction and related engineering services sector to develop their business in other areas in the Mainland.
	<b>Qualifications</b>		
	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.	Relaxing the qualification requirement	Helping more architects and structural engineers registered in Hong Kong to fulfil the qualification requirement of being a key professional, so as to increase the opportunities for professionals to enter the Mainland market and develop their business.

Services Sectors	New Liberalisation Measures	Nature	Benefits
	<ul> <li>Mutual recognition of qualifications</li> <li>Hong Kong service suppliers are allowed to complete all the mandatory courses of continuing education for mutual recognition of</li> </ul>	Facilitation measure	Facilitating and encouraging related professionals to participate in the continuing
	<ul> <li>Professional qualifications in Hong Kong.</li> <li>To renew the expired agreements for mutual recognition of professional qualifications, including agreements of structural engineers,</li> </ul>	Mutual recognition of qualifications	education programme actively. Helping related professionals to enter the Mainland market and develop their business.
	<ul> <li>planners, building surveyors and architects.</li> <li>To arrange for mutual recognition of qualifications between architects, structural engineers who possess the membership of</li> </ul>	Mutual recognition of qualifications	Helping related professionals to enter the Mainland market and develop their business.
	professional institutions in Hong Kong and those possessing the relevant membership of corresponding institutions in the Mainland.		

Services Sectors	New Liberalisation Measures	Nature	Benefits
	Directly registering and practising in the Mainland		
	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.	Relaxing the restriction on practising	Helping related professionals to enter the Mainland market and develop their business.
	<u>Construction and engineering works of</u> integrated water networks		
	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.	Removing the restriction on equity shareholding	Wholly-owned businesses can have more flexibility in operations.

Services Sectors	New Liberalisation Measures	Nature	Benefits
Testing and certification services	Scope of testing of products under the China Compulsory Certification (CCC) System that can be undertaken by testing organisations in Hong Kong		
	To expand the scope of CCC products from those processed or manufactured in the Mainland or processed in Hong Kong to CCC products processed or manufactured in any place.	Expanding business scope	Assisting testing organisations in Hong Kong to better serve the Mainland consumer goods market.
	<ul> <li>Activities under the CCC System that can be undertaken by certification bodies in Hong Kong</li> <li>➤ To expand the geographical scope of CCC factory inspection from CCC product manufacturers located in China (Guangdong) Pilot Free Trade Zone to CCC product manufacturers in the whole Mainland; and to add the selection of post-certification test samples at factories manufacturing CCC products in the whole Mainland as a new service scope.</li> </ul>	Expanding business scope	Assisting certification bodies in Hong Kong to better serve the Mainland consumer goods market.

Services Sectors	New Liberalisation Measures	Nature	Benefits
Services incidental to agriculture, hunting and forestry	<ul> <li>Crops</li> <li>To remove the restriction that the Mainland party shall be the controlling shareholder for the selection of new species and seed production of crops except wheat and corn.</li> </ul>	Removing the restriction on equity shareholding	Wholly-owned businesses can have more flexibility in operations.
	<ul> <li>Wild animal and plant resources</li> <li>To permit engaging in the development of nationally protected wild animal and plant resources of Mainland origin.</li> </ul>	Relaxing the restriction on business scope	The measure can open up new business development opportunities for the trade.
Services incidental to fishing	<ul> <li>Capture operations</li> <li>To permit engaging in Mainland capture operations in Guangdong, Guangxi and Hainan.</li> </ul>	Relaxing the restriction on business location	The trade can engage in Mainland capture operations in Guangdong, Guangxi and Hainan, thereby increasing their choices of operating modes.
	<ul><li>Ocean fisheries</li><li>➢ To permit engaging in Mainland ocean fisheries.</li></ul>	Relaxing the restriction on business scope	The measure can open up new business development opportunities for the trade.

Services Sectors	New Liberalisation Measures	Nature	Benefits
Services incidental to energy distribution	<ul> <li>Electricity transmission grid</li> <li>To remove the restriction that the Mainland party shall be the controlling shareholder for engagement in the construction and operation of electricity transmission grid.</li> </ul>	Removing the restriction on equity shareholding	Wholly-owned businesses can have more flexibility in operations.
	<ul> <li>Networks of gas and heating</li> <li>To remove the restriction that the Mainland party shall be the controlling shareholder for engagement in the construction and operation of networks of gas and heating.</li> </ul>	Removing the restriction on equity shareholding	Wholly-owned businesses can have more flexibility in operations.
Related scientific and technical consulting services	<ul> <li>Metals and minerals</li> <li>To permit engaging in surveying of tin, antimony, molybdenum and fluorite.</li> </ul>	Removing the restriction on business scope	The measure can open up new business development opportunities for the trade.
	To permit engaging on a wholly-owned basis in surveying of special and scarce coals, precious metals (gold family), graphite, and beneficiation of lithium ore.	Removing the restriction on equity shareholding	Wholly-owned businesses can have more flexibility in operations.

Services Sectors	New Liberalisation Measures	Nature	Benefits
	<ul> <li>Surveying and mapping companies</li> <li>To remove the restrictions on setting up surveying and mapping companies</li> </ul>	Removing the restriction on equity shareholding	Wholly-owned businesses can have more flexibility in operations.
Maintenance and repair of equipment	<ul> <li>Marine engineering equipment</li> <li>To remove the restriction that the Mainland party shall be the controlling shareholder for engaging in the repair of marine engineering equipment.</li> </ul>	Removing the restriction on equity shareholding	Wholly-owned businesses can have more flexibility in operations.
Printing and publishing services	<ul> <li>Engaging in printing of publications and other printed matters</li> <li>➢ To raise the ceiling of shareholding proportion of Hong Kong service suppliers engaging in the printing of publications and other printed matters (except packaging materials) from 49% to 70%.</li> </ul>	Relaxing the restriction on equity shareholding	As controlling shareholders, Hong Kong investors can achieve the targets set for business management and development more effectively.

Services Sectors	New Liberalisation Measures	Nature	Benefits
Convention and exhibition services	Locations in the Mainland where Hong Kong service suppliers can organise exhibitions		
	To remove the geographical restriction on organising exhibitions through cross-border supply and extend the measure from pilot provinces and cities to the whole Mainland.	Relaxing the restriction on business location	Helping explore the Mainland market.
Telecommunications	Telephone Service Cards		
services	To remove the geographical restriction on distributing only in the Guangdong Province fixed/mobile telephone service cards for exclusive use in Hong Kong.	Relaxing the restriction on geographical location of operation	Bringing new development opportunities for the industry.
	Professional and Technical Personnel Qualification Examinations		
	To allow Hong Kong residents to take professional qualification examinations in communications technologies in the Mainland.	Professional and technical personnel qualification examinations	Facilitating access of Hong Kong professionals to the Mainland market.

Services Sectors	New Liberalisation Measures	Nature	Benefits
Audiovisual services (Television)	<ul> <li>▶ To relax the restrictions on the percentage of principal creative personnel, Mainland-related content and investment proportion, etc. of television dramas co-produced by the Mainland and Hong Kong, and to shorten the time limit for approval of synopses for any proposal of television dramas to be co-produced by the Mainland and Hong Kong.</li> <li>Imported dramas</li> </ul>	investment proportion, etc. and shortening examination time	Increasing the flexibility in co- production of television dramas, promoting cooperation between the television industries of the two places.
	To remove the restriction on the quantity of Hong Kong produced television dramas imported by television stations, audiovisual websites and cable television networks in the Mainland. Restrictions on the quantity and time of the broadcast, etc. of imported dramas produced by Hong Kong are also relaxed.	Removing the restriction on the quantity of imported television dramas and relaxing the restrictions on their broadcast	Facilitating the entry of Hong Kong-produced television dramas to the Mainland market.

Services Sectors	New Liberalisation Measures	Nature	Benefits
	Other television programmes		
	To remove the restriction on the number of Hong Kong people participating in the production of Mainland television programmes and dramas.	Removing the restriction on the number of Hong Kong personnel participating in the production	Providing more development opportunities for Hong Kong personnel in the Mainland.
	To remove the restriction on the number of Hong Kong people participating in the production of online audiovisual programmes.	Removing the restriction on the number of Hong Kong personnel participating in the production	Providing more development opportunities for Hong Kong personnel in the Mainland.
	To allow television programmes other than television dramas co-produced by the Mainland and Hong Kong to be broadcast and distributed in the same way as those produced by the Mainland, after obtaining the approval of the relevant Mainland authorities.	Facilitating the broadcast and distribution of co- produced non- drama television programmes	Enabling other co-produced television programmes to have better reach to Mainland viewers and providing more room for development in the Mainland market.

Services Sectors	New Liberalisation Measures	Nature	Benefits
	<ul> <li>Animation television programmes</li> <li>➤ To remove the restriction on the quantity of Hong Kong produced animation television programmes imported by Mainland television stations, audiovisual websites and cable television networks. Restriction on the quantity and time, etc. of the broadcast of Hong Kong produced animation television programmes are also relaxed.</li> </ul>	Removing the restriction on the quantity of imported animation television programmes and relaxing the restrictions on their broadcast	Enhancing the entry of Hong Kong-produced animation television programmes to the Mainland market.
	To allow animation television programmes co- produced by the Mainland and Hong Kong to be broadcast and distributed in the same way as Mainland produced programmes after obtaining the approval of relevant authorities	Facilitating the broadcast and distribution of co- produced animation television programmes	Facilitating the entry of co- produced animation television programmes to and enhancing their development in the Mainland market.

Services Sectors	New Liberalisation Measures	Nature	Benefits
Audiovisual services (Film)	Chinese language motion pictures and motion pictures jointly produced		
	For motion pictures co-produced by Hong Kong and the Mainland, there is no restriction on the percentage of Hong Kong principal creative personnel and artistes as well as the Mainland- related content.	restrictions on the percentage of Hong	Enhancing the flexibility of producing co-productions, thereby furthering the development of film industries in the two places.
	To remove the restriction on the number of Hong Kong people participating in Mainland film productions.	Removing the restriction on the number of Hong Kong personnel in Mainland productions	Furthering the cooperation of film industries in the two places
	To waive the fees for establishing the Mainland and Hong Kong co-production motion pictures projects.	Waiving fees for establishing co- production projects	Reducing relevant production costs and encouraging Hong Kong film industry to proactively participate in the production and promotion of co-productions.

Services Sectors	New Liberalisation Measures	Nature	Benefits
Wholesale trade services	<ul> <li>Agricultural products</li> <li>➤ To permit engaging in purchase of staple food and wholesale services of staple food, cotton, vegetable oil, edible sugar and crop seeds.</li> <li>➤ To remove the restriction that the Mainland party shall be the controlling shareholder for engaging in the construction and operation of large-scale wholesale markets of agricultural products.</li> </ul>	Removing the restriction on business scope Removing the restriction on equity shareholding	The measure can bring more business opportunities to the trade. Wholly-owned businesses can have more flexibility in operations.
Retailing services	<ul> <li>➢ To remove the restriction that the Mainland party shall be the controlling shareholder for gasoline stations chain set up by the same Hong Kong service supplier having more than 30 branch stores selling different types and brands of processed oil coming from multiple suppliers.</li> </ul>	Removing the restriction on equity shareholding	Wholly-owned businesses can have more flexibility in operations.

Services Sectors	New Liberalisation Measures	Nature	Benefits
Education services	Overseas studies intermediary service institutions		
	To remove the geographical restriction that limits investment in the establishment of intermediary service institutions for self-financed overseas studies to the Guangdong and Tianjin Free Trade Zones only.		Widening the scope for Hong Kong-invested overseas studies intermediary service institutions to develop in the Mainland market.
	Higher education services		
	To allow Hong Kong institutions fulfilling the conditions required for admitting students from the Mainland to increase the admission quota for Mainland students and to actively increase the admission quota for Mainland students from the Guangdong-Hong Kong-Macao Greater Bay Area.	Increasing the quota for service users	Further promoting the education cooperation and exchanges between Hong Kong and the Mainland, particularly the Guangdong- Hong Kong-Macao Greater Bay Area.
Insurance services	Reinsurance		
	To apply more relaxed requirements of credit risk for Mainland insurance companies ceding reinsurance businesses to qualified Hong Kong insurers and continue to consider taking forward other preferential policies under equivalence.	Policy support	Providing more reinsurance business opportunities to Hong Kong insurers.

Services Sectors	New Liberalisation Measures	Nature	Benefits
	To remove the restriction for Hong Kong insurance companies carrying out inward or outward reinsurance businesses with their related enterprises.	Removing the restriction on business scope	Increasing flexibility and reducing costs of Hong Kong insurance companies.
	Mainland insurance companies participating in the Hong Kong market		
	To support Mainland insurance companies issuing catastrophe bonds in the Hong Kong market and relax relevant requirements.	Policy support	Promoting the development of the insurance and bond markets in Hong Kong.
	Assets and experience requirements		
	To remove the requirements of more than 30 years of establishment experience and over 2 years of establishment of representative office in the Mainland for Hong Kong insurance companies entering the Mainland insurance market.	Lowering entry requirements	Lowering the requirements for Hong Kong insurance companies entering the Mainland market.

Services Sectors	New Liberalisation Measures	Nature	Benefits
	To relax the requirements for Hong Kong insurance agency companies setting up wholly- owned insurance agency companies in the Mainland by reducing the insurance agency business operating experience from over 10 years to over 3 years and removing requirements including those on the average annual business revenue and year-end total assets.	experience	Lowering the requirements for Hong Kong insurance agency companies entering the Mainland market.
	To remove the requirements of over 30 years of operating experience, over US\$200 million total assets and over 2 years of establishment of representative office in the Mainland for Hong Kong insurance brokerage companies setting up wholly-owned insurance brokerage companies in the Mainland.	and experience	Lowering the requirements for Hong Kong insurance brokerage companies entering the Mainland market.
	Setting up of insurance establishments		
	To relax the restriction on shareholding percentage in a jointly-owned insurance company for Hong Kong insurance companies carrying on life business in the Mainland.	Relaxing the restriction on equity shareholding	Hong Kong investors can achieve the targets set for business management and development more effectively

Services Sectors	New Liberalisation Measures	Nature	Benefits
	To remove the restriction on shareholding percentage in a Mainland insurance company for Hong Kong insurance companies.	Removing the restriction on equity shareholding	Increasing the flexibility of Hong Kong insurance companies in business operations.
	To remove the restriction on shareholding percentage in an insurance asset management company for Hong Kong insurance companies.	Removing the restriction on equity shareholding	Increasing the flexibility of Hong Kong insurance companies in business operations.
	To remove the restriction for Hong Kong service suppliers setting up insurance loss adjusting companies in the Mainland.	Removing the restriction on business scope	Providing opportunities of the Mainland market to Hong Kong service suppliers.
Banking services	Expanding business scope		
	To allow Hong Kong-funded banks to take capital guarantee deposits for Mainland insurance companies.	Removing the restriction on business scope	Expanding the Mainland business scope of Hong Kong banks.

Services Sectors	New Liberalisation Measures	Nature	Benefits
	To allow foreign bank branches established by Hong Kong service suppliers to conduct foreign currency or Renminbi ("RMB") businesses, including acting as an agent for issuance, payment and underwriting of government bonds; acting as a receiving and paying agent; as well as accepting time deposits of no less than RMB500,000.	Removing the restriction on business scope	Enabling Hong Kong-funded banks to provide more well- rounded and enhanced one- stop services for Mainland customers, and also expand the Mainland business scope of Hong Kong banks.
	To allow Hong Kong service suppliers to invest, upon approval, in trust companies, financial asset management companies, corporate group finance companies, financial leasing companies, automotive finance companies, money brokerage companies and consumer finance companies.	Removing the restriction on business scope	Creating more business opportunities for Hong Kong- funded institutions.

Services Sectors	New Liberalisation Measures	Nature	Benefits
	Policy support		
	To launch cross-boundary financial management pilot programmes that support Mainland residents in the Guangdong-Hong Kong-Macao Greater Bay Area in purchasing wealth management products sold by Hong Kong banks, through Hong Kong banks, and Hong Kong residents in purchasing wealth management products sold by Mainland banks, through Mainland banks in the Guangdong- Hong Kong-Macao Greater Bay Area.	Policy support	Promoting cross-boundary investment services, bringing more business opportunities to the industry in both Mainland and Hong Kong, as well as increasing the investment options for residents in both places.
	To study the launch of Southbound Trading under Bond Connect.	Policy support	Facilitating the Mainland to invest in offshore bond markets and promoting the bond market development in Hong Kong.
	To support Hong Kong-funded non-bank payment institutions to conduct electronic payment business in the Mainland.	Policy support	Creating more business opportunities for Hong Kong- funded payment institutions.

Services Sectors	New Liberalisation Measures	Nature	Benefits
	Assets requirement and equity shareholding restrictions		
	To remove the requirement of no less than US\$6 billion total assets preceding application for the sole or majority shareholder of a wholly foreign-funded bank or a Chinese-foreign joint venture bank, and a foreign bank applying to establish a foreign bank branch.	Removing assets requirements	Lowering the requirements for Hong Kong banking industry entering the Mainland market, which aligns with the further financial liberalisation measures of the Central Government.
	To remove the requirement of no less than US\$1 billion total assets for the foreign equity investor of a trust company.	Removing assets requirements	Lowering the requirements for Hong Kong banking industry entering the Mainland market, which aligns with the further financial liberalisation measures of the Central Government.

Services Sectors	New Liberalisation Measures	Nature	Benefits
	To remove the restriction on shareholding percentage in a Chinese commercial bank, rural commercial bank, rural cooperative bank, rural credit union and financial asset management company.	restriction on equity	Helping Hong Kong investors to achieve the targets set for business management and development more effectively, which aligns with the further financial liberalisation measures of the Central Government.
Securities services	Policy support		
	To actively study the feasibility of enhancing the Mainland-Hong Kong mutual recognition of funds arrangement.		Promoting the development of the fund markets in both places.
	To enhance the variety of products under the Mainland-Hong Kong Stock Connect and allow companies with weighted voting rights structure as listed in Hong Kong to be included as eligible securities under Stock Connect upon fulfilment of certain criteria.	Policy support	Promoting the development of the securities markets in both places.
	To consider extending the scope of eligible products under the mutual market access programme by including ETFs (i.e. exchange- traded funds).	Policy support	Promoting the development of the securities markets in both places.

Services Sectors	New Liberalisation Measures	Nature	Benefits
Tourism and travel related services	<ul> <li>➢ To optimise the "144-hour visa-exemption transit" policy for foreign group tours entering the Pearl River Delta Area and Shantou from Hong Kong through increasing the number of inbound control points and expanding the area allowed to stay.</li> </ul>	Policy support	The measure can facilitate Hong Kong's tourism trade to develop more multi- destination products targeting foreign visitors, which can attract more overseas travellers to visit Hong Kong and the Mainland via Hong Kong. This can further support Hong Kong in developing into an international tourism hub and a core demonstration zone for multi-destination tourism, benefiting the tourism sectors of Hong Kong and the Greater Bay Area.
Transport Services	<ul><li><u>Air Transport Services</u></li><li>➢ To remove the restriction that the Mainland</li></ul>	Removing the	Wholly-owned businesses can
	party shall be the controlling shareholder for investment in aviation oil supply projects.	restriction on equity shareholding	have more flexibility in operations.

Services Sectors	New Liberalisation Measures	Nature	Benefits
	To remove the restriction that an equity joint venture shall be set up with the Mainland service suppliers of computerised reservation system and the Mainland party shall be the controlling shareholder for investment in computerised reservation system projects.	restriction on equity shareholding	Wholly-owned businesses can have more flexibility in operations.
	Rail transport services		
	To remove restriction that the Mainland party shall be the controlling shareholder for setting up and operation of rail passenger transport company.	restriction on equity	Wholly-owned businesses can have more flexibility in operations.
	To remove the restriction that the Mainland party shall be the controlling shareholder for engaging in the construction and operation of major rail lines.	restriction on equity	Wholly-owned businesses can have more flexibility in operations.
	Maritime transportation		
	To allow Hong Kong maritime enterprises and ships to operate maritime transportation between Hong Kong and Mainland's ports that are open to foreign vessels.	restriction on	Hong Kong enterprises and ships can have more room for development in the Mainland market.

Services Sectors	New Liberalisation Measures	Nature	Benefits
	To remove the restrictions on business scope and equity shareholding for freight transport agency services.	U	Hong Kong investors can achieve the targets set for business management and development more effectively, and have more room for development in the Mainland market.
	To remove the restriction on provision of tally services to foreign vessels to equity joint venture or contractual joint venture.	<u> </u>	Wholly-owned businesses can have more flexibility in operations.