

ASEAN – HONG KONG, CHINA FREE TRADE AGREEMENT

**Specific Commitments¹ of ASEAN Member States (AMS) on
Construction and Related Engineering Services**

Modes of supply²: 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 Darussalam	CONSTRUCTION SERVICES (CPC 512, 513, 514 + 516, 517, 515)	1) Unbound 2) None 3) a) The company should be registered under the office of Registrar of Companies and Business Names, Attorney Generals' Chamber. b) Foreign equity should not exceed 50%. c) The company should be registered with the Ministry of Development. 4) Unbound except as indicated in the horizontal section.	1) Unbound 2) None 3) Unbound 4) Unbound

¹ 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 http://www.tid.gov.hk/english/ita/fta/hkasean/text_agreement.html.

² 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
Cambodia	A. General construction work for building		
	1. General Construction Work for Buildings (CPC 512)	1) Unbound* 2) None 3) None 4) Unbound, except as indicated in the horizontal section	1) Unbound* 2) None 3) None 4) Unbound, except as indicated in the horizontal section
	B. General construction work for civil engineering		
	2. General Construction Work for Civil Engineering (CPC 513)	1) Unbound* 2) None 3) None 4) Unbound, except as indicated in the horizontal section	1) Unbound* 2) None 3) None 4) Unbound, except as indicated in the horizontal section
	C. Installation and assembly work		
	3. Installation and Assembly Work (CPC 514; CPC 516)	1) Unbound* 2) None 3) None 4) Unbound, except as indicated in the horizontal section	1) Unbound* 2) None 3) None 4) Unbound, except as indicated in the horizontal section
	D. Building completion and finishing work		
	4. Building Completion and Finishing Work (CPC 517)	1) Unbound* 2) None 3) None	1) Unbound* 2) None 3) None

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
		4) Unbound, except as indicated in the horizontal section	4) Unbound, except as indicated in the horizontal section
	E. Other		
	5. Other (CPC 511, 515, 518)	1) Unbound* 2) None 3) None 4) Unbound, except as indicated in the horizontal section	1) Unbound* 2) None 3) None 4) Unbound, except as indicated in the horizontal section
Unbound*: means unbound due to lack of technical feasibility.			

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
Indonesia	A. General construction work for buildings		
	Construction work for building (CPC 512 except CPC 51210)	<p>1) Unbound</p> <p>2) None</p> <p>3) (a) Joint operation by establishing a representative office in Indonesia. License for representative office shall be valid for 3 years and can be extended.</p> <p>(b) Joint venture company by fulfilling the requirements as specified in the Horizontal Section and the Foreign Capital Investment Law.</p> <p>Not more than 51% of the capital share of the Limited Liability Enterprise (Perseroan Terbatas/PT) may be owned by foreign partner(s).</p> <p>4) Unbound, except as indicated in the Horizontal Section</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) (a) 1. License fee requirement</p> <p>2. Registered foreign company shall form a joint operation with local partner(s) which is (are) registered by Construction Services Development Board and having qualification A/Big.</p> <p>(b) Local partner(s) in joint venture shall be registered by Construction Services Development Board and having qualification A/Big.</p> <p>4) Unbound, except as indicated in the Horizontal Section</p>

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
	<p>B. General construction work for civil engineering</p> <p>Construction work for civil engineering (CPC 513)</p>	<p>1) Unbound</p> <p>2) None</p> <p>3) (a) Joint operation by establishing a representative office in Indonesia. License for representative office shall be valid for 3 years and can be extended.</p> <p>(b) Joint venture company by fulfilling the requirements as specified in the Horizontal Section and the Foreign Capital Investment Law.</p> <p>Not more than 51% of the capital share of the Limited Liability Enterprise (Perseroan Terbatas/PT) may be owned by foreign partner(s).</p> <p>4) Unbound, except as indicated in the Horizontal Section</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) (a) 1. License fee requirement</p> <p>2. Registered foreign company shall form a joint operation with local partner(s) which is (are) registered by Construction Services Development Board and having qualification A/Big.</p> <p>(b) Local partner(s) in joint venture shall be registered by Construction Services Development Board and having qualification A/Big.</p> <p>4) Unbound, except as indicated in the Horizontal Section</p>

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
	<p>C. Installation and assembly work</p> <p>Assembly and erection of prefabricated construction (CPC 514)</p>	<p>1) Unbound</p> <p>2) None</p> <p>3) (a) Joint operation by establishing a representative office in Indonesia. License for representative office shall be valid for 3 years and can be extended.</p> <p>(b) Joint venture company by fulfilling the requirements as specified in the Horizontal Section and the Foreign Capital Investment Law.</p> <p>Not more than 51% of the capital share of the Limited Liability Enterprise (Perseroan Terbatas/PT) may be owned by foreign partner(s).</p> <p>4) Unbound, except as indicated in the Horizontal Section</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) (a) 1. License fee requirement</p> <p>2. Registered foreign company shall form a joint operation with local partner(s) which is (are) registered by Construction Services Development Board and having qualification A/Big.</p> <p>(b) Local partner(s) in joint venture shall be registered by Construction Services Development Board and having qualification A/Big.</p> <p>4) Unbound, except as indicated in the Horizontal Section</p>

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
	<p>E. Other</p> <p>Pre-erection work at construction system (CPC 511 except CPC 51110 and 51113)</p>	<p>1) Unbound</p> <p>2) None</p> <p>3) (a) Joint operation by establishing a representative office in Indonesia. License for representative office shall be valid for 3 years and can be extended.</p> <p>(b) Joint venture company by fulfilling the requirements as specified in the Horizontal Section and the Foreign Capital Investment Law.</p> <p>Not more than 51% of the capital share of the Limited Liability Enterprise (Perseroan Terbatas/PT) may be owned by foreign partner(s).</p> <p>4) Unbound, except as indicated in the Horizontal Section</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) (a) 1. License fee requirement</p> <p>2. Registered foreign company shall form a joint operation with local partner(s) which is (are) registered by Construction Services Development Board and having qualification A/Big.</p> <p>(b) Local partner(s) in joint venture shall be registered by Construction Services Development Board and having qualification A/Big.</p> <p>4) Unbound, except as indicated in the Horizontal Section</p>

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
	<p>Renting Services related to equipment for construction or demolition of building or civil engineering works, with operator (CPC 518)</p>	<p>1) Unbound</p> <p>2) None</p> <p>3) (a) Joint operation by establishing a representative office in Indonesia. License for representative office shall be valid for 3 years and can be extended.</p> <p>(b) Joint venture company by fulfilling the requirements as specified in the Horizontal Section and the Foreign Capital Investment Law.</p> <p>Not more than 51% of the capital share of the Limited Liability Enterprise (Perseroan Terbatas/PT) may be owned by foreign partner(s).</p> <p>4) Unbound, except as indicated in the Horizontal Section</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) (a) 1. License fee requirement</p> <p>2. Registered foreign company shall form a joint operation with local partner(s) which is (are) registered by Construction Services Development Board and having qualification A/Big.</p> <p>(b) Local partner(s) in joint venture shall be registered by Construction Services Development Board and having qualification A/Big.</p> <p>4) Unbound, except as indicated in the Horizontal Section</p>

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
	<p>Foundation work including pile driving (CPC 51510)</p>	<p>1) Unbound</p> <p>2) None</p> <p>3) (a) Joint operation by establishing a representative office in Indonesia. License for representative office shall be valid for 3 years and can be extended.</p> <p>(b) Joint venture company by fulfilling the requirements as specified in the Horizontal Section and the Foreign Capital Investment Law.</p> <p>Not more than 51% of the capital share of the Limited Liability Enterprise (Perseroan Terbatas/PT) may be owned by foreign partner(s).</p> <p>4) Unbound, except as indicated in the Horizontal Section</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) (a) 1. License fee requirement</p> <p>2. Registered foreign company shall form a joint operation with local partner(s) which is (are) registered by Construction Services Development Board and having qualification A/Big.</p> <p>(b) Local partner(s) in joint venture shall be registered by Construction Services Development Board and having qualification A/Big.</p> <p>4) Unbound, except as indicated in the Horizontal Section</p>

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
	Gas fitting construction work (CPC 51630)	<p>1) Unbound</p> <p>2) None</p> <p>3) (a) Joint operation by establishing a representative office in Indonesia. License for representative office shall be valid for 3 years and can be extended.</p> <p>(b) Joint venture company by fulfilling the requirements as specified in the Horizontal Section and the Foreign Capital Investment Law.</p> <p>Not more than 51% of the capital share of the Limited Liability Enterprise (Perseroan Terbatas/PT) may be owned by foreign partner(s).</p> <p>4) Unbound, except as indicated in the Horizontal Section</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) (a) 1. License fee requirement</p> <p>2. Registered foreign company shall form a joint operation with local partner(s) which is (are) registered by Construction Services Development Board and having qualification A/Big.</p> <p>(b) Local partner(s) in joint venture shall be registered by Construction Services Development Board and having qualification A/Big.</p> <p>4) Unbound, except as indicated in the Horizontal Section</p>

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
Lao PDR	A. General construction work for buildings		
	General construction work for buildings (CPC 512)	1) Unbound. 2) None. 3) Foreign equity participation limited to 70%. 4) Unbound, except as indicated in the horizontal section.	1) Unbound. 2) None. 3) None. 4) Unbound, except as indicated in the horizontal section.
	B. General construction work for civil engineering		
	General construction work for civil engineering (CPC 513)	1) Unbound. 2) None. 3) Foreign equity participation limited to 70%. 4) Unbound, except as indicated in the horizontal section.	1) Unbound. 2) None. 3) None. 4) Unbound, except as indicated in the horizontal section.
	C. Installation and assembly work		
	Installation and assembly work (CPC 514+516)	1) Unbound. 2) None.	1) Unbound. 2) None.

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
		3) Foreign equity participation limited to 70%	3) None.
		4) Unbound, except as indicated in the horizontal section.	4) Unbound, except as indicated in the horizontal section.
D. Building completion and finishing work			
	Building completion and finishing work (CPC 517)	1) Unbound.	1) Unbound.
		2) None.	2) None.
		3) Foreign equity participation limited to 70%.	3) None.
		4) Unbound, except as indicated in the horizontal section.	4) Unbound, except as indicated in the horizontal section.
E. Other			
	Other: (CPC 511+515+518)	1) Unbound.	1) Unbound.
		2) None.	2) None.
		3) Foreign equity participation limited to 70%.	3) None.
		4) Unbound, except as indicated in the	4) Unbound, except as indicated in the

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
		horizontal section.	horizontal section.

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
Malaysia	D. Building completion and finishing work		
	Building completion and finishing work (CPC 517)	<p>1) Unbound due to lack of technical feasibility.</p> <p>2) None</p> <p>3) (a) Only through a representative office, regional office or locally incorporated joint venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and aggregate foreign shareholding in the joint-venture corporation shall not exceed 30 per cent.</p> <p>(b) Foreign construction companies that are not locally incorporated may carry out the following construction projects jointly with local contractors, on project-by-project basis:</p> <p>i) Construction projects wholly financed by foreign investment and/or grants;</p>	<p>1) Unbound due to lack of technical feasibility</p> <p>2) None</p> <p>3) (a) None</p> <p>(b) Unbound</p>

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
		<p>ii) Construction projects financed by loans of international tendering according to the terms of the loans;</p> <p>iii) Projects with foreign investment equal or more than 50 per cent where local expertise is not available.</p> <p>iv) 100 per cent Malaysian funded construction projects where local expertise is not available.</p> <p>Subject to compulsory sub- contracting to local sub- contractors.</p> <p>4) Unbound, except as indicated in the horizontal section</p>	<p>4) Unbound, except for the categories of natural persons referred to under market access.</p>

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
Myanmar	A. General construction work for buildings		
	Construction Work for Buildings (CPC 512)	1) None	1) None
		2) None	2) None
		3) None	3) None
		4) Unbound	4) Unbound
	B. General construction work for civil engineering		
	Construction Work for Civil Engineering (CPC 513)	1) None	1) None
2) None		2) None	
3) None		3) None	
4) As indicated in the Horizontal Commitments		4) As indicated in the Horizontal Commitments	
C. Installation and assembly work			
Assembly and Erection of Prefabricated Construction (CPC 514)	1) None	1) None	
	2) None	2) None	

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
		3) None	3) None
		4) Unbound	4) Unbound
	Installation work (CPC 516)	1) None	1) None
		2) None	2) None
		3) None	3) None
		4) Unbound	4) Unbound
D. Building completion and finishing work			
	Building Completion and Finishing Work (CPC 517)	1) None	1) None
		2) None	2) None
		3) None	3) None
		4) Unbound	4) Unbound
E. Other			
	Pre-erection Work at Construction Site (CPC 511)	1) None	1) None
		2) None	2) None

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
		3) None 4) Unbound	3) None 4) Unbound
	Special Trade Construction (CPC 515)	1) None 2) None 3) None 4) Unbound	1) None 2) None 3) None 4) Unbound

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
The Philippines	<p>B. General construction work for civil engineering</p> <p>Constructions for mining and manufacturing (CPC 5136**)</p> <p>Construction for large-scale mining development projects covered by Financial and Technical Assistance Agreements (FTAA)</p>	<p>1) Unbound*</p> <p>2) None</p> <p>3) Up to 100 percent foreign equity participation is allowed, provided that the requirements of the FTAA under the Philippine Mining Act (RA 7942) are met. However, a Special Contractor's License is required to undertake construction activities.</p> <p>4) Unbound</p>	<p>1) Unbound*</p> <p>2) None</p> <p>3) A Contractor's License (Regular or Special) issued by the PCAB is required to undertake construction activities. The Regular Contractor's License is reserved for, and issued only to, Filipino sole proprietorships or partnerships/corporations with at least 60 percent Filipino equity and duly organized and existing under and by virtue of Philippine laws. A Special Contractor's License may be given to foreign companies on a project-to-project basis.</p> <p>4) Unbound</p>
<p>Unbound*: means unbound due to lack of technical feasibility.</p>			

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
Singapore	A. General construction work for buildings		
	- General Construction for Buildings (CPC 512)	1) None	1) None
		2) None	2) None
		3) None	3) None
		4) Unbound except as indicated in the horizontal Section	4) Unbound
	B. General construction work for civil engineering		
	- General Construction work for civil engineering (CPC 513)	1) None	1) None
	2) None	2) None	
	3) None	3) None	
	4) Unbound except as indicated in the horizontal Section	4) Unbound	
C. Installation and assembly work			
- Installation and assembly work (CPC 514 + 516)	1) None	1) None	
	2) None	2) None	

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
		3) None 4) Unbound except as indicated in the horizontal Section	3) None 4) Unbound
D. Building completion and finishing work			
	- Building Completion and finishing work (CPC 517)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal Section	1) None 2) None 3) None 4) Unbound
E. Other			
	- Others (CPC 511 +515 + 518)	1) None 2) None 3) None 4) Unbound except as indicated in the	1) None 2) None 3) None 4) Unbound

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
		horizontal Section	

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
Thailand	A. General construction work for buildings		
	<u>Construction work for buildings</u> (CPC 512)	1) Unbound 2) None 3) As indicated in 3.1 of the horizontal section 4) (a) As indicated in the horizontal section (b) Unbound for civil engineer	1) Unbound 2) None 3) As indicated in the horizontal section 4) As indicated in the horizontal section
	General construction services of mines and industrial plant (CPC 1.1: 54260)	1) Unbound 2) None 3) As indicated in 3.2 of the horizontal section 4) Unbound	1) Unbound 2) None 3) As indicated in the horizontal section 4) Unbound
	B. General construction work for civil engineering		
	<u>Construction work for civil engineering</u> (CPC 513)	1) Unbound 2) None	1) Unbound 2) None

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
		3) As indicated in 3.1 of the horizontal section 4) (a) As indicated in the horizontal section (b) Unbound for civil engineer	3) As indicated in the horizontal section 4) As indicated in the horizontal section
	General construction work of harbours, waterways, dams, irrigation and other water works (CPC Version 1.1: 54230)	1) Unbound 2) None 3) As indicated in 3.2 of the horizontal section 4) Unbound	1) Unbound 2) None 3) As indicated in the horizontal section 4) Unbound
	C. Installation and assembly work		
	<u>Installation Work</u> (CPC 516)	1) Unbound 2) None 3) As indicated in 3.1 of the horizontal section 4) (a) As indicated in the horizontal section (b) Unbound for civil engineer	1) Unbound 2) None 3) As indicated in the horizontal section 4) As indicated in the horizontal section

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
Viet Nam	A. General construction work for buildings		
	General construction work for building (CPC 512)	1) Unbound.* 2) None. 3) None, except: Foreign enterprises have to be juridical persons of another Party. Branching is allowed. 4) Unbound, except as indicated in the horizontal section.	1) Unbound.* 2) None. 3) None, except that the chief of the branch has to be a resident in Viet Nam. 4) Unbound, except as indicated in the horizontal section.
	B. General construction work for civil engineering		
	General construction work for civil engineering (CPC 513)	1) Unbound.* 2) None. 3) None, except:	1) Unbound.* 2) None. 3) None, except that the chief of the branch has to be a resident in Viet Nam.

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
		<p>Foreign enterprises have to be juridical persons of another Party.</p> <p>Branching is allowed.</p> <p>4) Unbound, except as indicated in the horizontal section.</p>	<p>4) Unbound, except as indicated in the horizontal section.</p>
C. Installation and assembly work			
	<p>Installation and assembly work (CPC 514, 516)</p>	<p>1) Unbound.*</p> <p>2) None.</p> <p>3) None, except:</p> <p>Foreign enterprises have to be juridical persons of another Party.</p> <p>Branching is allowed.</p> <p>4) Unbound, except as indicated in the horizontal section.</p>	<p>1) Unbound.*</p> <p>2) None.</p> <p>3) None, except that the chief of the branch has to be a resident in Viet Nam.</p> <p>4) Unbound, except as indicated in the horizontal section.</p>

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
	D. Building completion and finishing work		
	Building completion and finishing work (CPC 517)	1) Unbound.* 2) None. 3) None, except: Foreign enterprises have to be juridical persons of another Party. Branching is allowed. 4) Unbound, except as indicated in the horizontal section.	1) Unbound.* 2) None. 3) None, except that the chief of the branch has to be a resident in Viet Nam. 4) Unbound, except as indicated in the horizontal section.
	E. Other		
Other (CPC 511, 515, 518)	1) Unbound.* 2) None. 3) None, except:	1) Unbound.* 2) None. 3) None, except that the chief of the branch	

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
		<p>Foreign enterprises have to be juridical persons of another Party.</p> <p>Branching is allowed.</p> <p>4) Unbound, except as indicated in the horizontal section.</p>	<p>has to be a resident in Viet Nam.</p> <p>4) Unbound, except as indicated in the horizontal section.</p>
<p>Unbound*: means unbound due to lack of technical feasibility.</p>			

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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).