

ASEAN – HONG KONG, CHINA FREE TRADE AGREEMENT

Specific Commitments¹ of ASEAN Member States (AMS) on Tourism and Travel Related 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	A. Hotels and restaurants (including catering)		
	Hotel Lodging Services (CPC 64110) 4 and 5 star hotels only	1) None 2) None 3) Joint ventures in which local equity constitutes not less than 30%. 4) Unbound except as indicated in the horizontal section.	1) Unbound 2) Unbound 3) Unbound 4) Unbound except as indicated in the horizontal section.

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/index.html>.

² See explanatory note at Annex.

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AMS	Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment
Cambodia	A. Hotels and restaurants (including catering)		
	1. Hotels (CPC 64110)	1) None 2) None 3) None for hotel 3 stars or higher ⁴ 4) Unbound, except as indicated in the horizontal section <hr/> ⁴ 3 stars hotel is defined as in the Sub-decree on Hotel One to Five Stars Rating and Accommodations of 2004.	1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section
	Restaurants (CPC 642, 643)	1) Unbound* 2) None 3) Permit is granted taking into account characteristics of the area ⁵ 4) Unbound <hr/> ⁵ The main criteria are: the number of and impact on existing restaurants, historical and artistic characteristics of the location, geographic spread, impact on traffic conditions and creation of new employment.	1) Unbound* 2) None 3) Unbound 4) Unbound
	B. Travel agencies and tour operators services		
2. Travel agencies and tour operators services (CPC7471)	1) None 2) None	1) 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, except foreign equity participation limited to 51% for travel agencies 4) Unbound, except as indicated in the horizontal section	3) None 4) Unbound, except as indicated in the horizontal section
	C. Tourist guides services		
	3.Tourist guides services (CPC 7472)	1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. Cambodian nationality requirement for tourist guides.	1) None 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	<p>A. Hotels and restaurants (including catering)</p> <p>Hotel (CPC 64110)</p> <p>(3, 4 and 5 starred hotels)</p>	<p>1) None</p> <p>2) None</p> <p>3) In East Indonesia and Sumatra FEP is up to 100%</p> <p>4) Unbound, except for:</p> <p style="padding-left: 20px;">a. Top Management Level in Hotel business comprised of:</p> <p style="padding-left: 40px;">i. General Manager</p> <p style="padding-left: 40px;">ii. Food and Beverage Manager</p> <p style="padding-left: 40px;">iii. Comptroller (only for 4 and 5 starred hotels)</p> <p style="padding-left: 40px;">iv. Marketing Director (only for 4 and 5 starred hotels)</p> <p style="padding-left: 20px;">b. Highly-skilled Professionals comprised of:</p> <p style="padding-left: 40px;">i. Executive Chef</p>	<p>1) None</p> <p>2) None</p> <p>3) Higher paid-up capital is required of foreign services suppliers than of domestic suppliers. This measure will be eliminated in the year 2020.</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
		<ul style="list-style-type: none"> ii. Sous Chef (only for 4 and 5 starred hotels) iii. Specialty Cook 	
	Tourist Resorts including: <ul style="list-style-type: none"> - Hotels (3,4, and 5 star) - Golf Courses and other Sport Facilities 	<ul style="list-style-type: none"> 1) None 2) None 3) In East Indonesia and Sumatra FEP is up to 100% 4) Unbound, except for Resort Managers 	<ul style="list-style-type: none"> 1) None 2) None 3) Higher paid-up capital is required of foreign services suppliers than of domestic suppliers. This measure will be eliminated in the year 2020. 4) Unbound, except as indicated in the Horizontal Section
	Meal Serving Services with Full Restaurant Services (CPC 64210)	<ul style="list-style-type: none"> 1) None 2) None 3) FEP is up to 51% in all areas 4) Unbound, except for: <ul style="list-style-type: none"> a. Top Management Level in Hotel Business comprised of: 	<ul style="list-style-type: none"> 1) None 2) None 3) Subject to prevailing local government's laws regarding to the moral or public order in accordance with Article XIV (a) of the GATS 4) Unbound, except 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
		<ul style="list-style-type: none"> i. General Manager ii. Food and Beverage Manager iii. Resident Manager iv. Comptroller (only for 4 and 5 starred hotels) v. Marketing Director (only for 4 and 5 starred hotels) b. Highly-skilled professionals comprised of: <ul style="list-style-type: none"> i. Executive Chef ii. Sous Chef (only for 4 and 5 starred hotels) iii. Specialty Cook 	
	B. Travel agencies and tour operators services		
	Travel Agent and Tour Operator (TA & TO) (CPC 74710)	<ul style="list-style-type: none"> 1) None 2) None 3) Maximum services providers total up to 30 TA & TO 4) Unbound, except for technical advisor 	<ul style="list-style-type: none"> 1) None 2) None 3) Tour operator must be Travel Agent located in Jakarta and Bali 4) Unbound, except 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
Lao PDR	A. Hotels and restaurants (including catering)		
	A. Hotels and restaurants (including catering) (part of CPC 641 (excluding guesthouses ¹⁰ and 6419), CPC 642, and CPC 643)	1) None. 2) None. 3) For lodging services: limited to establishments with three stars rating or higher. 4) Unbound, except as indicated in the horizontal section.	1) None. 2) None. 3) None. 4) Unbound, except as indicated in the horizontal section.
	¹⁰ Defined as "furnished accommodation with up to 14 bedrooms, mainly provided in private apartments or homes on a temporary lodging, and with a two stars rating or lower".		
	B. Travel agencies and tour operators services		
	B. Travel agencies and tour operators services (CPC 7471)	1) None. 2) None. 3) Foreign equity participation limited to 70%. 4) Unbound, except for executives and managers as per conditions in the horizontal section.	1) None. 2) None. 3) Foreign service supplying enterprises can only do inbound services. 4) Unbound, except for executives and managers as per conditions in the horizontal section.

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AMS	Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment
Malaysia	<p>A. Hotels and restaurants (including catering)</p> <p>Hotel, Tourist Resort And Restaurant Services</p> <p>Covering the management and operational of hotels or resorts including, outlet which may not include ownership of such properties (CPC 641)</p>	<p>1) None</p> <p>2) None</p> <p>3) (a) Entry for service activities under CPC 641 is permitted only through a 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) or CPC 64110 covering 4- and 5-star hotel establishments only, aggregate foreign shareholdings up to 49 per cent in the joint venture corporation is permitted</p> <p>4) Unbound except as indicated in 1 (a) and (b) and 2 (a) and (c) in the horizontal section</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except for the categories of natural persons referred to under market access.</p>
	<p>Food serving services (CPC 642)</p>	<p>1) None</p> <p>2) None</p>	<p>1) None</p> <p>2) None</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>3) Entry for service activities under CPC 642 is permitted only through a locally incorporated joint-venture corporation with Malaysian individuals or Malaysian- controlled corporations or both and aggregate foreign shareholding in the joint- venture corporation shallnot exceed 30 percent.</p> <p>4) Unbound except as indicated in 1 (a) and(b) and 2 (a) and (c) in the horizontal section.</p>	<p>3) None</p> <p>4) Unbound, except for the categories of natural persons referred to under market access.</p>
	Beverage serving services for consumption on the premises (CPC 643)	<p>1) None</p> <p>2) None</p> <p>3) Entry for service activities under CPC 643 is permitted only through a locally incorporated joint-venture corporation with Malaysian individuals or Malaysian- controlled corporations or both and aggregate foreign shareholding in the joint- venture corporation shallnot exceed 30 percent.</p> <p>4) Unbound except as indicated in 1 (a) and(b) and 2 (a) and (c) in the horizontal section</p>	<p>1) None</p> <p>2) None</p> <p>3) None</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
	B. Travel agencies and tour operators services		
	Travel Agencies and Tour Operators Services for inbound travel only (CPC 7471)	1) None 2) None 3) Joint-venture with Malaysian individuals or Malaysian- controlled corporations or both and aggregate foreign shareholding in the joint- venture corporation shall not exceed 49 per cent. 4) Unbound except as indicated in 1 (a) and (b) and 2 (a) and (c) in the horizontal section	1) None 2) None 3) None 4) Unbound, except for the categories of natural persons referred to under market access.

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. Hotels and restaurants (including catering)		
	Hotel and Other Lodging Services (CPC 6411/ 64110)	1) None 2) None 3) None 4) None	1) None 2) None 3) None 4) Unbound
	Motel lodging services (CPC 64120)	1) None 2) None 3) None 4) None	1) None 2) None 3) None 4) Unbound
	Other lodging services (CPC 6419)	1) None 2) None 3) None 4) None	1) None 2) None 3) Unbound 4) Unbound
	Meal serving services with full restaurant services (CPC 6421/64210)	1) None 2) None 3) None 4) None	1) None 2) None 3) None 4) Unbound
	Meal serving services in self- services facilities (CPC 6422)	1) None 2) None 3) None 4) None	1) None 2) None 3) Unbound 4) Unbound
	Caterer services, providing meals to	1) None	1) 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
	outside (CPC 6423)	2) None 3) None 4) None	2) None 3) Unbound 4) Unbound
	Other Food serving services (CPC 6429)	1) None 2) None 3) None 4) None	1) None 2) None 3) Unbound 4) Unbound
	Beverage serving services without entertainment (CPC 64310)	1) None 2) None 3) None 4) None	1) None 2) None 3) None 4) Unbound
	Beverage serving services with entertainment (CPC 64320)	1) None 2) None 3) None 4) None	1) None 2) None 3) None 4) Unbound
	B. Travel agencies and tour operators services		
	Travel Agencies and Tour Operators Services (CPC 7471)	1) None 2) None 3) None 4) Unbound	1) None 2) None 3) Unbound 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	A. Hotels and restaurants (including catering)		
	Hotel Lodging Services (CPC 64110)	1) None 2) None 3) None, except as indicated in the horizontal commitments 4) None, except as indicated in the horizontal commitments	1) None 2) None 3) None, except as indicated in the horizontal commitments 4) None
	Restaurants (CPC 6421-64310)	1) Unbound* 2) None 3) Foreign nationals may wholly operate a restaurant provided that the minimum paid in capital of US\$2.5 million is complied; provided further that prequalification requirements are complied in accordance with appropriate government agencies. Foreign nationals may also establish branches provided that the minimum paid in capital of US\$ 830,000.00 per restaurant are complied. Limitations listed in the horizontal section also	1) Unbound* 2) None 3) Foreign nationals may wholly operate a restaurant provided that the minimum paid in capital of US\$2.5 million are maintained. Prior notification for cessation of operation Foreign nationals may also establish additional branches provided that the minimum paid in capital of US\$ 830,000 per restaurant are maintained.

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
		apply.	<p>Prior notification for opening and closing of branches/stores.</p> <p>Provided further that 30% local inventory requirement, public offering requirement under certain conditions and prohibitions to engage in certain restaurant activities are complied.</p> <p>Every registered foreign restaurant are to submit to the Department of Trade and Industry the following reports:</p> <ul style="list-style-type: none"> a. A general information sheet in the prescribed form showing, among others, the accredited stores of the enterprise and the status of operations of the entity; b. An audited financial statement and income tax return;

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			<p>c. Certification by responsible officer of the company showing the maintenance of the required minimum capital unless the foreign investor has notified the SEC and the DTI of its intention to repatriate its capital and cease operations in the Philippines</p> <p>Qualified foreign restaurants are not allowed to engage in certain retailing activities outside their accredited branches through the use of mobile or rolling stores or carts, the use of sales representatives, door-to-door selling, and sari-sari stores and such other similar retailing activities.</p> <p>Limitations listed in the horizontal section shall apply.</p>

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AMS	Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment
		4) None, except as provided in the horizontal commitment	4) None
	B. Travel agencies and tour operators services		
	Travel Agencies (CPC 74710)	1) None 2) None 3) None, except as indicated in the horizontal commitments 4) None, except as indicated in the horizontal commitments	1) None 2) None 3) None, except as indicated in the horizontal commitments 4) None
	D. Other		
	Professional Congress Organizers	1) None 2) None 3) 60% foreign equity is allowed 4) Subject to horizontal commitment	1) None 2) None 3) None 4) None
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
Singapore	A. Hotels and restaurants (including catering)		
	Hotel Lodging Services (CPC 64110)	1) Unbound* 2) None 3) None 4) Unbound except as indicated in the horizontal Section	1) None 2) None 3) None 4) Unbound
	Restaurant and Catering Services (CPC 64210, 64230)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal Section	1) None 2) None 3) None 4) Unbound
	B. Travel agencies and tour operators services		
	b. Travel Agent and Tour Operators Services (CPC 7471)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal Section	1) None 2) None 3) None 4) Unbound
	C. Tourist guides services		
	c. Tourist Guide Services (CPC 7472)	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	
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
Thailand	A. Hotels and restaurants (including catering)		
	Hotel lodging services (CPC 64110)	1) Unbound 2) None	1) Unbound 2) None
	Camping and caravan site Services (CPC 64195)	3) As indicated in 3.1 of the horizontal section 4) As indicated in the horizontal section	3) As indicated in the horizontal section 4) As indicated in the horizontal section
	Meal serving with full restaurant services (CPC 64210)		
	Catering Services (CPC 64230)		
Thailand	B. Travel agencies and tour operators services		
	Travel agency and tour operator services (CPC 74710)	1) Unbound 2) None 3) (a) As indicated in 3.1 of the horizontal section (b) Not less than half of the board of directors of the company must be Thai nationality 4) As indicated in the horizontal section	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
	D. Other		
	Hotel management Services (CPC Version1.1 part of 63110)	1) Unbound 2) None 3) As indicated in 3.1 of the horizontal section 4) As indicated in the horizontal section	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. Hotels and restaurants (including catering)		
	A. Hotel and restaurant including - Lodging services (CPC 64110) - Catering food (CPC 642) and drink services (CPC 643)	1) None. 2) None. 3) None. 4) Unbound, except as indicated in the horizontal section.	1) None. 2) None. 3) None. 4) Unbound, except as indicated in the horizontal section.
	B. Travel agencies and tour operators services		
B. Travel agencies and tour operator services (CPC 7471)	1) None. 2) None. 3) None, except that: foreign service suppliers are permitted to provide services in the form of joint ventures with Vietnamese partners with no limitation on foreign capital contribution. 4) Unbound, except as indicated in the horizontal section.	1) None. 2) None. 3) None, except tourist guides in foreign-invested enterprises shall be Vietnamese citizens. Foreign service supplying enterprises can only do inbound services and domestic travel for inbound tourists as an integral part of inbound services. 4) Unbound, except as indicated in the horizontal section.	

- End -

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).