

Annex 1

The Mainland's Specific Commitments on Liberalization of Trade in Services for Macao in Guangdong Province¹

¹ Sectoral classification is based on WTO's GATS Services Sectoral Classification List (GNS/W/120). For the contents of the sectors, reference is made to the relevant CPC, United Nations Provisional Central Product Classification.

Table 1 :

**Reserved Restrictive Measures under Commercial Presence
(Negative List)**

Sector:	1. Business Services
Sub-sector:	A. Professional Services
	a. Legal Services (CPC861)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<p><u>Commercial Presence</u></p> <ol style="list-style-type: none"> 1. Solely invested representative offices must not handle legal matters related to the application of Mainland law or employ Mainland practising lawyers. 2. Provision of legal services in the form of co-operation with a Mainland party is restricted to: <ol style="list-style-type: none"> (1) In Guangdong Province, secondment of Mainland practising lawyers by Mainland law firms to work as consultants on Mainland law in representative offices set up by Macao law firms in the Mainland, or secondment of Macao lawyers by Macao law firms to work in Mainland law firms as consultants on Macao law or cross-border laws; (2) In Guangdong Province, Mainland law firms and representative offices set up

by Macao law firms in the Mainland conduct cooperative operation in accordance with their agreements and commence their business cooperation by division of work in accordance with their respective scope of practice and authority;

- (3) As a pilot measure in Qianhai, Nansha and Hengqin in Guangdong Province, operate in association with a Mainland party in the form of partnership, in accordance with the specific provisions approved by the judicial administrative authority.

Sector:	1. Business Services
Sub-sector:	A. Professional Services <ul style="list-style-type: none"> b. Accounting, auditing and bookkeeping services (CPC862)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> <p>Macao residents who have obtained the Chinese Certified Public Accountants (CPAs) qualification can be partners of partnership accounting firms in the Guangdong Province, while the Mainland residents shall have the right of control over such accounting firms. Macao residents who are partners of these accounting firms are required to reside in the Mainland and practise in the accounting firms concerned for 180 days or more every year. These Macao partners shall be covered by the professional indemnity insurance according to the relevant requirement.</p>

Sector:	1. Business Services
Sub-sector:	A. Professional Services
	c. Taxation Services (CPC863)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u>
	Apply national treatment.

Sector:	1. Business Services
Sub-sector:	A. Professional Services
	d. Architectural and design services (CPC8671)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> <ol style="list-style-type: none"> 1. Macao service suppliers shall be construction and engineering design enterprises, registered architects or registered engineers practising in Macao. 2. Except the provision of engineering survey services.

Sector:	1. Business Services
Sub-sector:	A. Professional Services
	e. Engineering services (CPC8672)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> <ol style="list-style-type: none"> 1. Macao service suppliers shall be construction and engineering design enterprises, registered architects or registered engineers practising in Macao. 2. Except the provision of engineering services for civilian water conservation projects such as reservoirs and dams, etc, and engineering survey services.

Sector:	1. Business Services
Sub-sector:	A. Professional Services
	f. Integrated engineering services (CPC8673)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> <ol style="list-style-type: none"> 1. Macao service suppliers shall be construction and engineering design enterprises, registered architects or registered engineers practising in Macao. 2. Except the provision of engineering services for civilian water conservation projects such as reservoirs and dams, etc, and engineering survey services.

Sector:	1. Business Services
Sub-sector:	A. Professional Services
	g. Urban planning and landscape architectural services (CPC8674)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Except the provision of general urban planning services, services for general planning for national-level scenic areas and engineering survey services.

Sector:	1. Business Services
Sub-sector:	A. Professional Services
	h. Medical and dental services (CPC9312)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Applications for setting up medical institutions shall be approved by and registered with the Health and Family Planning Commission of the Guangdong Province and the relevant authorities under the Department of Commerce of the Guangdong Province in accordance with the Mainland regulations.

Sector:	1. Business Services
Sub-sector:	A. Professional Services
	i. Veterinary services (CPC932)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Restricted to pet clinics set up in cities.

Sector:	1. Business Services
Sub-sector:	A. Professional Services
	j. Services provided by midwives, nurses, physiotherapists and para-medical personnel (CPC93191)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> No commitment ¹ .

¹ The operating mode in the form of commercial presence for this sector (sub-sectors) has not yet existed in the Mainland.

Sector:	1. Business Services
Sub-sector:	A. Professional Services
	k. Other (Patent agency, Trade mark agency etc.) (CPC8921)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u>
	Apply national treatment.

Sector:	1. Business Services
Sub-sector:	B. Computer and Related Services <ul style="list-style-type: none"> a. Consultancy services related to the installation of computer hardware (CPC841)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Apply national treatment.

Sector:	1. Business Services
Sub-sector:	B. Computer and Related Services
	b. Software implementation services (CPC842)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Apply national treatment.

Sector:	1. Business Services
Sub-sector:	B. Computer and Related Services
	c. Data processing services (CPC843)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Apply national treatment.

Sector:	1. Business Services
Sub-sector:	B. Computer and Related Services
	d. Database services (CPC844, except network operation services and value-added network services)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Apply national treatment.

Sector :	1. Business Services
Sub-sector :	B. Computer and Related Services
	e. Other (CPC845+849)
Obligations concerned:	National Treatment
Reserved Restrictive Measures :	<u>Commercial Presence</u> Apply national treatment.

Sector:	1. Business Services
Sub-sector:	C. Research and Development Services <ul style="list-style-type: none"> a. Research and development services on natural sciences (CPC851)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	Commercial Presence <ul style="list-style-type: none"> 1. Except engagement in the development and application of human stem cells, genetic diagnosis and therapy technologies. 2. Except engagement in the research and development of precious and quality breeds that are rare and unique, and production of relevant breeding materials; and the research and development of genetically modified organisms and the production of genetically modified crop seeds, breeding livestock and poultry, and aquatic fingerlings, and the genetic resource development activities for giant pandas. 3. For research in cooperation with the Mainland on livestock or poultry genetic resource in the protection list, application shall be filed with the stockbreeding and veterinary administrative department of the Provincial People's Government and shall simultaneously put forward a plan on benefit sharing with the State. Application reviewed and accepted by the

stockbreeding and veterinary administrative department at the provincial level shall be submitted to the stockbreeding and veterinary administrative department of the State Council for approval. No newly discovered livestock or poultry genetic resource shall be used for research in the cooperation before it is appraised by the National Commission for Genetic Resources of Livestock and Poultry. Engagement in research and testing of agricultural genetically modified organisms shall be approved by the agricultural administrative department of the State Council.

Sector:	1. Business Services
Sub-sector:	C. Research and Development Services
	c. Interdisciplinary research and development services (CPC853)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u>
	Restricted to interdisciplinary research and experimental development services on natural sciences.

Sector:	1. Business Services
Sub-sector:	D. Real Estate Services
	a. Real estate services involving own or leased property (CPC821)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u>
	Apply national treatment.

For clarity and avoidance of doubt, the property management portfolios (expressed in gross floor area) of the Macao service suppliers in both Macao and the Mainland are taken into account in assessing their application for property management enterprise qualification in the Mainland.

Sector:	1. Business Services
Sub-sector:	D. Real Estate Services
	b. Real estate services on a fee or contract basis (CPC822)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u>
	Apply national treatment.

For clarity and avoidance of doubt, the property management portfolios (expressed in gross floor area) of the Macao service suppliers in both Macao and the Mainland are taken into account in assessing their application for property management enterprise qualification in the Mainland.

Sector:	1. Business Services
Sub-sector:	E. Rental/Leasing Services without Operators
	a. Rental/leasing services relating to ships (CPC83103)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u>
	Apply national treatment.

Sector:	1. Business Services
Sub-sector:	E. Rental/Leasing Services without Operators
	b. Rental/leasing services relating to aircraft (CPC83104)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Apply national treatment.

Sector:	1. Business Services
Sub-sector:	E. Rental/Leasing Services without Operators c. Rental/leasing services relating to private cars (CPC83101); goods transport vehicles (CPC83102) and other land transport equipment (CPC83105)
Obligations concerned:	National Treatment
Reserved Restrictive Measures :	<u>Commercial Presence</u> Apply national treatment.

Sector:	1. Business Services
Sub-sector:	E. Rental/Leasing Services without Operators <ul style="list-style-type: none"> d. Rental/leasing services relating to agricultural machinery and equipment (CPC83106-83109)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Apply national treatment.

Sector:	1. Business Services
Sub-sector:	E. Rental/Leasing Services without Operators e. Rental/leasing services relating to personal and household goods (CPC832)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Apply national treatment.

Sector:	1. Business Services
Sub-sector:	F. Other Business Services
	a. Advertising services (CPC871)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Apply national treatment.

Sector:	1. Business Services
Sub-sector:	F. Other Business Services <ul style="list-style-type: none"> b. Market research and public opinion polling services (CPC864)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> <ol style="list-style-type: none"> 1. Except the provision of public opinion polling services and market research services that are not market survey services. 2. The provision of market survey services is restricted to equity joint venture or contractual joint venture. 3. Application for foreign-related investigation licence shall be submitted to the National Bureau of Statistics for investigation areas that are across provinces, autonomous regions or municipalities directly under the Central Government. A foreign-related investigation licence shall be valid for three years.

Sector:	1. Business Services
Sub-sector:	F. Other Business Services
	c. Management consulting services (CPC865)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Apply national treatment.

Sector:	1. Business Services
Sub-sector:	F. Other Business Services
	d. Services related to management consulting (CPC866)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u>
	Apply national treatment.

Sector:	1. Business Services
Sub-sector:	F. Other Business Services
	e. Technical testing and analysis services (CPC8676)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u>
	Wholly-owned companies set up are only allowed to provide inspection services for ships registered in Macao.

Sector:	1. Business Services
Sub-sector:	F. Other Business Services <ul style="list-style-type: none"> f. Services incidental to agriculture, hunting and forestry (CPC881)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> <ol style="list-style-type: none"> 1. For the setting-up and operation of crop seed enterprises, the Mainland party shall be the controlling shareholder. 2. Except engagement in the taming, breeding or utilization of giant pandas. 3. Except engagement in carving, processing or sales of ivory. 4. Except engagement in damage assessment of forest fires and other forest assessments. 5. Forest Ownership Certificates shall not be granted.

Sector:	1. Business Services
Sub-sector:	F. Other Business Services
	g. Services incidental to fishing (CPC882)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Except engagement in Mainland ocean fisheries and Mainland capture operations.

Sector:	1. Business Services
Sub-sector:	F. Other Business Services
	h. Services incidental to mining (CPC883+5115)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Apply national treatment.

Sector:	1. Business Services
Sub-sector:	F. Other Business Services <ul style="list-style-type: none"> i. Services incidental to manufacturing (CPC884 except 88442, CPC885)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Except the provision of services incidental to manufacturing under the prohibited categories in the “Catalogue for the Guidance of Foreign Investment Industries”.

Sector:	1. Business Services
Sub-sector:	F. Other Business Services
	j. Services incidental to energy distribution (CPC887)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> <ol style="list-style-type: none"> 1. For engaging in the construction and operation of electric grid and nuclear power plant, the Mainland party shall be the controlling shareholder. 2. For engaging in the construction and operation of networks of gas, heating, water supply and drainage in cities in the Guangdong Province with population over 1 million, the Mainland party shall be the controlling shareholder.

Sector:	1. Business Services
Sub-sector:	F. Other Business Services
	k. Placement and supply services of Personnel (CPC872)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Apply national treatment.

Sector:	1. Business Services
Sub-sector:	F. Other Business Services
	I. Investigation and security services (CPC873)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> <ol style="list-style-type: none"> 1. Except engagement in investigation services. 2. Except security services of security and safeguard for key units related to national security and involving state secrets as affirmed by the local people's governments at or above the level of cities divided into districts. 3. The set up or acquisition of shareholdings in Mainland security service companies providing armed guarding and transportation services is not allowed.

Sector:	1. Business Services
Sub-sector:	F. Other Business Services
	m. Related scientific and technical consulting services (CPC8675)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> <ol style="list-style-type: none"> 1. It is not allowed to engage in: <ol style="list-style-type: none"> 1) surveying of tungsten, tin, antimony, molybdenum and fluorite; 2) surveying and beneficiation of rare earths; 3) surveying and beneficiation of radioactive mineral products; 4) scientific and technical consulting services related to hydraulic engineering; 5) engineering surveying services; 6) geodetic survey; aerial photography of survey and mapping; administrative region boundary survey and mapping; marine survey and mapping; compilation of topographic maps, world political maps, national administrative region maps, administrative region maps at the provincial level and below, national teaching maps, regional teaching maps and true three-dimensional maps, and compilation of electronic maps for navigation.

2. It is not allowed to engage on a wholly-owned basis in:
 - 1) surveying of special and scarce coals (the Mainland party shall be the controlling shareholder);
 - 2) surveying of precious metals (gold family);
 - 3) surveying of barite;
 - 4) surveying of precious non-metals such as diamond and graphite;
 - 5) beneficiation of pyrite and lithium ore;
 - 6) development and application of new technology on geophysical prospecting in oil exploration;
 - 7) setting up surveying and mapping companies (the Mainland party shall be the controlling shareholder).

Sector:	1. Business Services
Sub-sector:	F. Other Business Services
	n. Maintenance and repair of equipment (personal and household goods repair services; repair services related to metal products; machinery and equipment) (CPC633+8861-8866)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> For engaging in the repair of marine engineering equipment (including modules), the Mainland party shall be the controlling shareholder.

Sector:	1. Business Services
Sub-sector:	F. Other Business Services
	o. Building-cleaning services (CPC874)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u>
	Apply national treatment.

Sector:	1. Business Services
Sub-sector:	F. Other Business Services
	p. Photographic services (CPC875)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Apply national treatment.

Sector:	1. Business Services
Sub-sector:	F. Other Business Services
	q. Packaging services (CPC876)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Apply national treatment.

Sector:	1. Business Services
Sub-sector:	F. Other Business Services
	s. Convention services (CPC87909)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u>
	Apply national treatment.

Sector:	1. Business Services
Sub-sector:	F. Other Business Services
	t. Other (CPC8790, except read-only optical discs duplication services)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<p><u>Commercial Presence</u></p> <p>Except engagement in seal engraving services.</p> <p>For clarity and avoidance of doubt, Macao service suppliers are allowed to set up factoring enterprises in Shenzhen Municipality and Guangzhou Municipality of the Guangdong Province on a pilot basis. Financial leasing companies set up are allowed to operate factoring business related to its main business.</p>

Sector:	2. Communication Services
Sub-sector:	A. Postal Services (CPC7511)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> The provision of postal services is not allowed.

Sector:	2. Communication Services
Sub-sector:	B. Courier services (CPC7512)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Except the provision of express delivery of letters within the Mainland and delivery of official documents of state organs.

Sector:	3. Construction and Related Engineering Services
Sub-sector:	A. General construction work for buildings (CPC512)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Apply national treatment.

Sector:	3. Construction and Related Engineering Services
Sub-sector:	B. General construction work for civil engineering (CPC513)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> <ol style="list-style-type: none"> 1. Except engagement in general construction services for civilian water conservation projects such as reservoirs and dams etc. 2. Except the provision of construction works, procurement of facilities and equipment, as well as maintenance and management services in relation to national or international rivers and waterways. 3. Except the provision of dredging service in relation to waterway maintenance.

Sector:	3. Construction and Related Engineering Services
Sub-sector:	C. Installation and assembly work (CPC514+516)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Apply national treatment.

Sector:	3. Construction and Related Engineering Services
Sub-sector:	D. Building completion and finishing work (CPC517)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Apply national treatment.

Sector: 3. Construction and Related Engineering Services

Sub-sector: E. Other (CPC511+515+518)

Obligations concerned: National Treatment

Reserved Restrictive Measures: Commercial Presence

Apply national treatment.

Sector:	4. Distribution Services
Sub-sector:	A. Commission agents' services (CPC621)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Apply national treatment.

Sector:	4. Distribution Services
Sub-sector:	B. Wholesale trade services (CPC622, except wholesale services of books, newspapers, magazines, cultural relics)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> <ol style="list-style-type: none"> 1. Except engagement in purchase of staple food and wholesale services of staple food, cotton, vegetable oil, edible sugar and crop seeds. 2. For engaging in the construction and operation of large-scale wholesale markets of agricultural products, the Mainland party shall be the controlling shareholder.

Sector:	4. Distribution Services
Sub-sector:	C. Retailing services (CPC631+632+6111+6113+6121, except retail services of books, newspapers, magazines, cultural relics)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> 1. Except the provision of retailing services of tobacco. 2. For chain stores set up which have more than 30 branch stores selling different types and brands of processed oil (gasoline stations) coming from multiple suppliers, the Mainland party shall be the controlling shareholder.

Sector:	4. Distribution Services
Sub-sector:	D. Franchising (CPC8929)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Apply national treatment.

Sector:	4. Distribution Services
Sub-sector:	E. Other distribution services (Except the auction of cultural relics)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> <ol style="list-style-type: none"> 1. Except the setting up and operation of duty-free stores. 2. In the application for setting up direct selling enterprises, applicants shall have undertaken direct selling activities for over three years outside the border. Direct selling enterprise or any of its branches are not allowed to recruit personnel outside the border as direct sales personnel. Personnel outside the border are not allowed to undertake vocational training of direct sales personnel.

Sector:	5. Education Services
Sub-sector:	A. Primary education services (CPC921)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<p><u>Commercial Presence</u></p> <ol style="list-style-type: none"> 1. The setting up of schools and other education institutions mainly admitting Chinese citizens of the Mainland is restricted to cooperation on a contractual basis. 2. Except investments on the establishment of education institutions providing special services in such areas as voluntary education, military affairs, policing, politics and religion etc.

For clarity and avoidance of doubt, the setting up of schools on a wholly-owned basis for children of expatriates in Qianhai, Nansha and Hengqin of the Guangdong Province may be expanded to cover children of Chinese nationals residing abroad and of returned talents after studying abroad who are working in Qianhai, Nansha and Hengqin, in addition to children of expatriates with residence permits to stay in the Mainland.

Sector:	5. Education Services
Sub-sector:	B. Secondary education services (CPC922)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> <ol style="list-style-type: none"> 1. The setting up of schools and other education institutions mainly admitting Chinese citizens of the Mainland is restricted to cooperation on a contractual basis. 2. For the setting up of wholly-owned non-academic secondary vocational training institutions on a pilot basis in Qianhai, Nansha and Hengqin of the Guangdong Province, the scope of admission shall be analogous with that for Mainland vocational training institutions. 3. Except investments on the establishment of education institutions providing special services in such areas as voluntary education, military affairs, policing, politics and religion etc.

For clarity and avoidance of doubt, the setting up of schools on a wholly-owned basis for children of expatriates in Qianhai, Nansha and Hengqin of the Guangdong Province may be expanded to cover children of Chinese nationals residing abroad and of returned talents after studying abroad who are working

in Qianhai, Nansha and Hengqin, in addition to children of expatriates with residence permits to stay in the Mainland.

Sector:	5. Education Services
Sub-sector:	C. Higher education services (CPC923)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> <ol style="list-style-type: none"> 1. The setting up of schools and other education institutions mainly admitting Chinese citizens of the Mainland is restricted to cooperation on a contractual basis. 2. For the setting up of wholly-owned non-academic tertiary vocational training institutions on a pilot basis in Qianhai, Nansha and Hengqin of the Guangdong Province, the scope of admission shall be analogous with that for Mainland vocational training institutions. 3. Except investments on the establishment of education institutions providing special services in such areas as military affairs, policing, politics and religion etc.

Sector:	5. Education Services
Sub-sector:	D. Adult education (CPC924)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Except investments on the establishment of education institutions providing special services in such areas as military affairs, policing, politics and religion etc.

Sector:	5. Education Services
Sub-sector:	E. Other education services (CPC929)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Except investments on the establishment of education institutions providing special services in such areas as military affairs, policing, politics and religion etc, and institutions providing intermediary services for studying abroad on a self-funded basis.

Sector:	6. Environmental Services
Sub-sector:	A. Sewage services (CPC9401)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Apply national treatment.

Sector:	6. Environmental Services
Sub-sector:	B. Refuse disposal services (CPC9402)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Apply national treatment.

Sector:	6. Environmental Services
Sub-sector:	C. Sanitation and similar services (CPC9403)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Apply national treatment.

Sector:	6. Environmental Services
Sub-sector:	D. Cleaning services of exhaust gases (CPC9404)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Apply national treatment.

Sector:	6. Environmental Services
Sub-sector:	E. Noise abatement services (CPC9405)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Apply national treatment.

Sector:	6. Environmental Services
Sub-sector:	F. Nature and landscape protection services (CPC9406)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Apply national treatment.

Sector:	6. Environmental Services
Sub-sector:	G. Other environmental protection services (CPC9409)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Apply national treatment.

Sector:	7. Financial Services
Sub-sector:	<p>A. All insurance and insurance-related services (CPC812)</p> <p>a. Life, accident and health insurance services (CPC8121)</p> <p>b. Non-life insurance services (CPC8129)</p> <p>c. Reinsurance and retrocession (CPC81299)</p> <p>d. Services auxiliary to insurance (including broking and agency services, consultancy services, actuarial services) (CPC8140)</p>

Obligations concerned: National Treatment

Reserved Restrictive Measures: Commercial Presence

1. Macao insurance companies and their groups formed through re-grouping or strategic mergers which enter the Mainland insurance market must fulfil the following criteria:
 - 1) Total assets held by the group of over US\$5 billion; more than 30 years of establishment experience attributable to one of the Macao insurance companies in the group; and a representative office established in the Mainland for over 2 years by one of the Macao insurance companies in the group;
 - 2) The place of their domicile is having a

robust insurance regulatory system;
and the insurance companies are
under effective supervision by the
relevant authority where the insurance
companies are domiciled;

- 3) Having met the solvency margin
standard of the place where they are
domiciled;
- 4) Their application has had the
agreement of the relevant authority of
the place where they are domiciled;
- 5) Reasonable corporate governance;
and stable risk management system;
- 6) Healthy internal control system; and
effective information management
system; and
- 7) Good operating condition; and having
no record of significant violation of
laws and regulations.

2. The maximum limit of shareholding
percentage of a Macao insurance
company in a Mainland insurance
company is 24.9%. Foreign financial
institutions to invest in shares of insurance
companies must fulfil the following criteria:

- 1) A good and stable financial condition
with continuous profit making record
for the recent three consecutive
accounting years;
- 2) The total assets as at the end of the
most recent year shall be not less than
US\$2 billion;
- 3) Having long term credit rating of A or
above given by international credit
agencies in the recent three years;
- 4) Having no records of significant
violation of laws and regulations for the

recent three years.

- 5) Having fulfilled the requirements of prudential supervision standards of the financial regulators where they are domiciled.
-
3. An insurance company which carries on life insurance business in the Mainland and is jointly established by foreign insurance companies and Mainland domestic companies and/or enterprises (hereinafter called “jointly-owned life insurance company”) shall have no more than 50% of its total share capital coming from foreign source. Foreign insurance companies having shares in the jointly-owned life insurance company, directly or otherwise, whose proportion of share capital shall not exceed the limit as aforesaid.
 4. The total equity owned by Mainland domestic insurance companies in an insurance asset management company shall be not less than 75%.
 5. Macao insurance agency companies setting up wholly-owned insurance agency companies to provide insurance agency services for the Mainland insurance companies must fulfil the following criteria:
 - 1) The applicant must be a Macao insurance agency enterprise;
 - 2) Having been operating insurance agency business for over 10 years; the applicant's average annual business revenue for the past 3 years before application shall not be less than

HK\$500,000 and the total assets as at the end of the year before application shall not be less than HK\$500,000; and

- 3) Within 3 years before application, there has been no serious violation of regulations and record of disciplinary action.

6. Macao insurance brokerage companies setting up wholly-owned insurance agency companies must fulfil the following criteria:

- 1) The applicant shall have been operating insurance brokerage business in Macao for over 10 years;
- 2) The applicant's average annual business revenue for the past 3 years before application shall not be less than HK\$500,000 and the total assets as at the end of the year before application shall not be less than HK\$500,000; and
- 3) Within 3 years before application, there has been no serious violation of regulations and record of disciplinary action.

7. Macao insurance brokerage companies setting up wholly-owned insurance brokerage companies must fulfil the following criteria:

- 1) Total assets of over US\$200 million;
- 2) Operating experience of over 30 years; and
- 3) A representative office established in the Mainland for over 2 years.

8. Setting up insurance loss adjusting

companies is not allowed.

9. Except otherwise approved by the China Insurance Regulatory Commission, foreign insurance companies are not allowed to be involved in the following activities with their related enterprises:

- 1) Inward or outward reinsurance businesses; and
- 2) Purchase or sale of assets or other transactions.

Those foreign insurance companies having the approval to carry on inward or outward reinsurance businesses with their related enterprises shall submit the materials as required by the China Insurance Regulatory Commission.

Sector: 7. Financial Services

Sub-sector: B. Banking and other financial services
(excluding insurance)

- a. Acceptance of deposits and other repayable funds from the public (CPC81115-81119)
- b. Lending of all types, including, inter alia, consumer credit, mortgage credit, factoring and financing of commercial transaction (CPC8113)
- c. Financial leasing (CPC8112)
- d. All payment and money transmission services (CPC81339)
- e. Guarantees and commitments (CPC81199)
- f. Trading for own account or for account of customers, whether on an exchange, in an over-the-counter market or otherwise, the following:
 - f1. money market instruments (CPC81339)
 - f2. foreign exchange (CPC81333)
 - f3. derivative products including, but not limited to, futures and options (CPC81339)

- f4. exchange rate and interest rate instruments, including products such as swaps, forward rate agreements, etc. (CPC81339)
- f5. transferable securities (CPC81321)
- f6. other negotiable instruments and financial assets, including bullion (CPC81339)
- g. Participation in issues of all kinds of securities (CPC8132)
- h. Money broking (CPC81339)
- i. Asset management (CPC8119+81323)
- j. Settlement and clearing services for financial assets, including securities, derivative products, and other negotiable instruments (CPC81339 or 81319)
- k. Advisory and other auxiliary financial services (CPC8131 or 8133)
- l. Provision and transfer of financial information, and financial data processing and related software by providers of other financial services (CPC8131)

**Obligations
concerned:**

National Treatment

**Reserved
Restrictive
Measures:**

Commercial Presence

1. Macao service suppliers investing in financial institutions engaging in banking business shall be financial institutions or specialised financial institutions, and the relevant conditions being:

- 1) For setting up a wholly foreign-funded bank, the shareholder shall be a financial institution, and the sole or majority shareholder shall be a commercial bank; for setting up a Chinese-foreign joint venture bank, the Macao shareholder shall be a financial institution, and the sole or majority foreign shareholder shall be a commercial bank;
- 2) The foreign founding member or strategic investor of a state-owned commercial bank, joint stock commercial bank, urban commercial bank or the Postal Savings Bank of China shall be a financial institution;
- 3) The foreign founding member or strategic investor of a rural commercial bank, rural cooperative bank, rural credit union, rural bank or credit company shall be a bank;
- 4) The foreign equity investor of a trust company shall be a financial institution;
- 5) The foreign founding member of a financial leasing company shall be a financial institution or financial leasing company;
- 6) The major foreign equity investor of a consumer finance company shall be a financial institution;
- 7) The foreign investor of a money

brokerage company shall be a money
brokerage company;

- 8) The foreign strategic investor of a
financial asset management company
shall be a financial institution.

2. Approval shall be required for investing in
financial institutions listed below:

- 1) Approval is required for Macao service
suppliers to invest in state-owned
commercial banks, joint stock
commercial banks, the Postal Savings
Bank of China or urban commercial
banks in the Mainland;
- 2) Approval is required for Macao service
suppliers to invest in rural commercial
banks, rural cooperative banks, rural
credit unions, rural banks or credit
companies;
- 3) Approval is required for Macao service
suppliers to invest in financial asset
management companies;
- 4) Approval is required for any change in
registered capital, shareholder or
shareholding ratio of wholly
foreign-funded banks or Chinese-foreign
joint venture banks;
- 5) Approval is required for foreign banks to
change the operating capital of foreign
bank branches in the Mainland.
- 6) Approval of the state council authority
supervising credit information business
is required for a credit information
institution to provide credit information
services.
- 7) Approval from the State Internet
Information Office, Ministry of Commerce
and State Administration for Industry &

Commerce shall be required, and the “Licence for foreign institution investing and establishing financial information services company in China” shall be obtained, for establishing a financial information services company.

3. Macao service suppliers investing in financial institutions engaging in banking business shall meet relevant asset size requirements, specifically:

- 1) 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, shall have total assets of no less than US\$6 billion at the end of the year preceding application (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 in Hengqin, shall have total assets of no less than US\$4 billion at the end of the year preceding application);
- 2) The foreign founding member or strategic investor of a state-owned commercial bank, joint stock commercial bank, urban commercial bank or the Postal Savings Bank of China shall in principle have total assets of no less than US\$6 billion at the end of the year immediately before;
- 3) The foreign founding member or strategic investor of a rural commercial bank, rural cooperative bank, rural bank or credit company shall in principle have

total assets of no less than US\$6 billion at the end of the year immediately before; the foreign founding member or strategic investor of a rural credit union shall in principle have total assets of no less than US\$1 billion at the end of the year immediately before;

- 4) The foreign equity investor of a trust company shall in principle have total assets of no less than US\$1 billion at the end of the year immediately before;
- 5) The outside strategic investor (which itself is a foreign financial institution) of a financial company of an enterprise group shall in principle have total assets of no less than US\$1 billion at the end of the year immediately before;
- 6) The foreign founding member of a financial leasing company shall in principle have total assets of no less than US\$1 billion at the end of the year immediately before;
- 7) The foreign strategic investor of a financial asset management company shall in principle have total assets of no less than US\$10 billion at the end of the year immediately before.

4. Macao service suppliers investing in the following financial institutions engaging in banking business shall be subject to single and aggregate limits on shareholding, specifically:

- 1) Any single foreign financial institution and its solely or jointly controlled affiliate, as a founding member or strategic investor, shall have shareholding of not more than 20% in any Chinese

commercial bank (including any state-owned commercial bank, joint-stock commercial bank, urban commercial bank and the Postal Savings Bank of China); all foreign financial institutions and their solely or jointly controlled affiliates, as founding member or strategic investors, shall have shareholding of not more than 25%. Shareholding as referred in this clause means the shares held by a foreign financial institution as a ratio of the total shares of the Chinese commercial bank. The shareholding of the affiliate of the foreign financial institution shall be aggregated with the shareholding of the foreign financial institution.

- 2) Any single foreign bank and its solely or jointly controlled affiliate, as a founding member or strategic investor, shall have shareholding of not more than 20% in any rural commercial bank, rural cooperative bank or rural credit union; all foreign banks and their solely or jointly controlled affiliates, as founding members or strategic investors, shall have shareholding of not more than 25%.
- 3) Any single foreign institution shall have shareholding of not more than 20% in any trust company; all foreign institutions shall have shareholding of not more than 25%.
- 4) Any single foreign institution shall have shareholding of not more than 20% in any financial asset management company; all foreign institutions shall have shareholding of not more than

25%.

5. Foreign bank branches established by Macao service suppliers shall not be allowed to conduct the following foreign currency or RMB businesses: acting as an agent for issuance, payment and underwriting of government bonds; acting as a receiving and paying agent; bank cards services. Foreign bank branches established by Macao service suppliers shall not be allowed to offer RMB services to Chinese citizens in the Mainland other than accepting time deposits of no less than RMB1 million; shall not be allowed to conduct businesses restricted to wholly foreign-funded banks or joint venture banks; shall not be allowed to conduct securities or insurance businesses.
6. For a foreign bank branch established by a Macao service supplier, the RMB portion of the total of operating capital and reserves shall be no less than 8% of its RMB risk-weighted assets. A foreign bank branch shall have operating capital of no less than RMB200 million or convertible foreign currencies provided by its parent bank, and 30% of the operating capital shall be in the form of specified interest-earning assets, and interest-earning assets in the form of time deposits shall be deposited with three or less than three Chinese commercial banks in the Mainland.
7. Wholly foreign-funded banks, Chinese-foreign joint venture banks and foreign bank branches established by

Macao service supplier shall be required to satisfy prudential requirements and obtain approval for conducting RMB business.

8. Wholly foreign-funded banks and Chinese-foreign joint venture banks shall not be allowed to invest to establish, become a shareholder of, or acquire any locally incorporated financial institution. Where the relevant regulations and regulatory instruments provided otherwise, the provisions in such regulations and instruments shall be followed.
9. Wholly foreign-funded banks, Chinese-foreign joint venture banks or foreign bank branches engaging in interbank lending and borrowing business shall be required to obtain approval of the People's Bank of China for having the qualification to conduct RMB interbank lending and borrowing business. A wholly foreign-funded bank or Chinese-foreign joint venture bank shall borrow or lend no more than 2 times of its paid-in capital; a foreign bank branch shall borrow or lend no more than 2 times of its RMB operating capital.
10. Engaging in the business of acting as a receiving and paying agent for the government's treasury shall not be allowed.
11. Macao service suppliers investing in a money brokerage company shall have engaged in money brokerage business for over 20 years, have recorded after-tax profit of no less than US\$5 million for 3

consecutive years preceding its application, and have global institutional and communication networks necessary for conducting money brokerage business.

12. Foreign institutions shall not be allowed to participate in the establishment of financial asset management companies.

13. For establishing a financial leasing company, the following criteria must be fulfilled:

- 1) The foreign shareholder shall have total assets of no less than US\$5 million.
- 2) The value of intangible assets in respect of the leased properties shall not exceed half of the leased properties.

14. Investment in securities companies can be made in the following two forms only:

- 1) Where investment in securities companies is made in the form of joint venture, which includes: the establishment of joint venture securities companies through joint capital contribution with domestic shareholders in accordance with law; and the conversion of Mainland-funded securities companies into joint venture securities companies according to law by legal transfer and acquisition of shareholding in the Mainland-funded securities companies. The number of Mainland-Macao joint venture securities companies that can be invested in through shareholding acquisition by the same Macao-funded financial institution

or by various Macao-funded financial institutions which are effectively controlled by the same entity shall not be more than one.

- 2) Investment by overseas investors in listed Mainland-funded securities companies may be done by way of holding shares in a listed Mainland-funded securities company through securities transactions on a stock exchange, or by establishing a strategic partnership with a listed Mainland-funded securities company and obtaining approval of the China Securities Regulatory Commission for holding shares in a listed Mainland-funded securities company with its approved scope of business remaining unchanged (on the premise that the controlling shareholder is a Mainland shareholder, the listed Mainland-funded securities company can be exempted from the requirement that the shareholding percentage of at least one Mainland shareholder being not less than 49%).

Overseas investors hold through securities transactions on a stock exchange in accordance with law, or hold jointly with others under an agreement or other arrangements, more than 5% of the shares of a listed Mainland-funded securities company, shall comply with the qualification requirements for overseas shareholders of joint venture securities companies.

The percentage of shareholding held (including those directly held and indirectly controlled) by a single overseas investor in a listed Mainland-funded securities company shall not exceed 20%; the percentage of aggregate shareholding held (including those directly held and indirectly controlled) by all overseas investors in a listed Mainland-funded securities company shall not exceed 25%.

15. Where investment in securities companies is made in the form of a joint venture, except for the following circumstances, the percentage of shareholding held by overseas shareholders or the percentage of their interests in an overseas-invested securities company shall not exceed 49% in aggregation (including those directly held and indirectly controlled). Of domestic shareholders, at least one shall be a Mainland-funded securities company with the percentage of its shareholding or interests in the overseas-invested securities company being not less than 49%:

1) Macao-funded financial institutions which satisfy the requirements for establishing Mainland-Macao joint venture securities companies may set up one full-licensed Mainland-Macao joint venture securities company each in Guangdong Province and Shenzhen Municipality. The maximum percentage of aggregate shareholding of the Macao-funded institutions is 51%. The Mainland shareholders are not

restricted to securities companies;

- 2) Macao-funded financial institutions which satisfy the requirements for establishing Mainland-Macao joint venture securities companies may set up one new full-licensed Mainland-Macao joint venture securities company in accordance with relevant Mainland requirements each in certain reform experiment zones for “piloting financial reforms” as approved by the Mainland. The Mainland shareholders are not restricted to securities companies. The percentage of aggregate shareholding of the Macao-funded financial institutions in the joint venture shall not exceed 49%, and the requirement for a single Mainland shareholder to hold 49% of shareholding in the joint venture is removed.
16. Except for the circumstances set forth in paragraphs 15(1) and 15(2), overseas shareholders of a joint venture securities company shall meet the following criteria: at least one being an institution legally qualified for carrying out financial businesses; and having been in operation for more than five consecutive years.

Under the circumstances set forth in paragraphs 15(1) and 15(2), Macao shareholders of a joint venture securities company shall satisfy the qualification requirements under the relevant regulations for establishing

Mainland-Macao joint venture securities companies.

17. Except for the circumstances set forth in paragraphs 15(1) and 15(2), the scope of business of joint venture securities companies is limited to: underwriting and sponsoring of shares (including RMB ordinary shares and foreign shares) and bonds (including government bonds and corporate bonds); brokerage of foreign shares; brokerage and proprietary [trading] of bonds (including government bonds and corporate bonds).
18. Investment in fund management companies by Macao-funded financial institutions can be made only in the form of joint venture (in line with the national treatment, the “participation in one and holding of one principle” is applicable to the number of Mainland-Macao joint venture fund companies that are allowed to be invested in through shareholding acquisition).
19. Investment in futures companies can be made only in the form of joint venture. The percentage of shareholding owned by qualified Macao service suppliers in a joint venture futures company shall not exceed 49% (including shareholding of related parties). The number of Mainland-Macao joint venture futures companies that can be invested in through shareholding acquisition by the same Macao-funded financial institution or by various

Macao-funded financial institutions which are effectively controlled by the same entity shall not be more than one.

An overseas shareholder holding more than 5% of shareholding in a futures company shall meet the following criteria: being a financial institution established and legally existed under the laws of Macao; all of its financial indicators and regulatory indicators in the preceding three years having met the relevant provisions of the laws of Macao and the requirements of regulatory bodies.

20. Investment in securities investment advisory companies by Macao-funded financial institutions can be made only in the form of a joint venture. The number of Mainland-Macao joint venture securities investment advisory companies that can be invested in through shareholding acquisition by the same Macao-funded financial institution or by various Macao-funded financial institutions which are effectively controlled by the same entity shall not be more than one.

Macao securities companies which satisfy the qualification requirements as overseas shareholders of overseas-invested securities companies, and Mainland securities companies which satisfy the requirements for establishing subsidiaries, are allowed to set up joint venture securities investment advisory companies in the Mainland. The joint venture securities investment advisory company

shall be a subsidiary of the Mainland securities company, the scope of business of which shall focus specifically on carrying on securities investment advisory businesses. The percentage of shareholding of the Macao securities company may, at a maximum, reach 49% of the total shareholding of such joint venture securities investment advisory company.

In certain reform experiment zones for “piloting financial reforms” as approved by the Mainland, the percentage of shareholding of a Macao-funded securities company which satisfies the relevant requirements for setting up a Mainland-Macao joint venture securities investment advisory company in such company may reach more than 50%.

21. Where Macao shareholders acquire shareholding in Mainland-Macao joint venture securities companies, fund management companies, futures companies or securities investment advisory institutions, capital contribution shall be made in a currency that is freely convertible.

Sector:	7. Financial Services
Sub-sector:	C. Other
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Apply national treatment.

Sector:	8. Health Related and Social Services
Sub-sector:	A. Hospital services (CPC9311)
Obligations concerned:	National Treatment
Reserved Restrictive Measures :	<p><u>Commercial Presence</u></p> <p>Applications for setting up medical institutions shall be approved by and registered with the Health and Family Planning Commission of the Guangdong Province and the relevant authorities under the Department of Commerce of the Guangdong Province in accordance with the Mainland regulations.</p>

Sector:	8. Health Related and Social Services
Sub-sector:	B. Other Human Health Services (CPC93192+93193+93199)
Obligations concerned:	National Treatment
Reserved Restrictive Measures :	<u>Commercial Presence</u> Except the establishment of services on genetic information, blood collection, pathological data and other services that may endanger public health and safety.

Sector:	8. Health Related and Social Services
Sub-sector:	C. Social services (CPC933)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Except the provision of child welfare agency services and emergency relief services for disaster victims.

Sector:	9. Tourism and Travel Related Services
Sub-sector:	A. Hotels and restaurants (CPC641-643)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Apply national treatment.

Sector:	9. Tourism and Travel Related Services
Sub-sector:	B. Travel agencies and tour operators services (CPC7471)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> <p>The number of travel agents set up on a wholly-owned basis operating outbound group tours for Mainland residents on a pilot basis to destinations beyond Hong Kong and Macao (excluding Taiwan) is restricted to 5.</p>

Sector:	9. Tourism and Travel Related Services
Sub-sector:	C. Tourist guides services (CPC7472)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Apply national treatment.

Sector: 9. Tourism and Travel Related Services

Sub-sector: D. Other

**Obligations
concerned:** National Treatment

**Reserved
Restrictive** Commercial Presence

Measures: Apply national treatment.

Sector:	10. Recreational, Cultural and Sporting Services
Sub-sector:	D. Sporting and other recreational services (CPC964)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Except the setting up of commercial shooting range.

Sector:	11. Transport Services
Sub-sector:	A. Maritime Transport Services <ul style="list-style-type: none"> a. Passenger transportation (CPC7211)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> <ol style="list-style-type: none"> 1. The following criteria shall be met when providing costal water transport services: <ol style="list-style-type: none"> 1) In the business areas intended to operate, Mainland water transport service suppliers could not meet the demand. 2) Having good business and operating records in providing water transport services. 3) Restricted to equity joint venture, contractual joint venture and the capital contribution of the Macao service supplier not exceeding 50%. 2. For enterprises which have been approved and have obtained the permit to provide water transport services, any change of Macao service suppliers and any change of the share percentage held by Macao service suppliers shall be reported to the original authority-in-charge for approval.

Sector:	11. Transport Services
Sub-sector:	A. Maritime Transport Services
	b. Freight transportation (CPC7212)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> <ol style="list-style-type: none"> 1. The following criteria shall be met when providing costal water transport services: <ol style="list-style-type: none"> 1) In the business areas intended to operate, Mainland water transport service suppliers could not meet the demand. 2) Having good business and operating records in providing water transport services. 3) Restricted to equity joint venture, contractual joint venture and the capital contribution of the Macao service supplier not exceeding 50%. 2. For enterprises which have been approved and have obtained the permit to provide water transport services, any change of Macao service suppliers and any change of the share percentage held by Macao service suppliers shall be reported to the original authority-in-charge for approval.

Sector:	11. Transport Services
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Sub-sector: A. Maritime Transport Services

c. Rental of vessels with crew
(CPC7213)

**Obligations
concerned:** National Treatment

**Reserved
Restrictive
Measures:** Commercial Presence

Except the provision of rental of vessels with crew engaging in coastal waterway transportation.

Sector:	11. Transport Services
Sub-sector:	A. Maritime Transport Services
	d. Maintenance and repair of vessels (CPC8868)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Apply national treatment.

Sector:	11. Transport Services
Sub-sector:	A. Maritime Transport Services
	e. Pushing and towing services (CPC7214)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> <ol style="list-style-type: none"> 1. The following criteria shall be met when providing costal water transport services: <ol style="list-style-type: none"> 1) In the business areas intended to operate, Mainland water transport service suppliers could not meet the demand. 2) Having good business and operating records in providing water transport services. 3) Restricted to equity joint venture, contractual joint venture and the capital contribution of the Macao service supplier not exceeding 50%. 2. For enterprises which have been approved and have obtained the permit to provide water transport services, any change of Macao service suppliers and any change of the share percentage held by Macao service suppliers shall be reported to the original authority-in-charge for approval.

Sector:	11. Transport Services
Sub-sector:	A. Maritime Transport Services
	f. Supporting services for maritime transport (CPC745)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> <ol style="list-style-type: none"> 1. The provision of supporting services for maritime transport is restricted to: <ol style="list-style-type: none"> 1) The establishment of wholly-owned enterprises in Guangdong Province to provide material supplying services except fuels and water. 2) Providing services on cleaning, sterilizing, fumigating, pest control and sealing up of vessels and storage for arriving and anchoring vessels. 2. Corporate enterprise allowed to apply for vessel registration is restricted to equity joint venture and the capital contribution of investment of the Mainland investors shall not be less than 50%.

Sector:	11. Transport Services
Sub-sector:	B. Internal Waterways Transport <ul style="list-style-type: none"> a. Passenger transportation (CPC7221)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> <ol style="list-style-type: none"> 1. The following criteria shall be met when providing internal waterways transport services: <ol style="list-style-type: none"> 1) In the business areas intended to operate, Mainland water transport service suppliers could not meet the demand. 2) Having good business and operating records in providing water transport services. 3) Restricted to equity joint venture, contractual joint venture and capital contribution of the Macao service supplier not exceeding 50%. 2. For enterprises which have been approved and have obtained the permit to provide water transport services, any change of Macao service suppliers and any change of the share percentage held by Macao service suppliers shall be reported to the original authority-in-charge for approval.

Sector:	11. Transport Services
Sub-sector:	B. Internal Waterways Transport
	b. Freight transportation (CPC7222)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> <ol style="list-style-type: none"> 1. The following criteria shall be met when providing internal waterways transport services: <ol style="list-style-type: none"> 1) In the business areas intended to operate, Mainland water transport service suppliers could not meet the demand. 2) Having good business and operating records in providing water transport services. 3) Restricted to equity joint venture, contractual joint venture and the capital contribution of the Macao service supplier not exceeding 50%. 2. For enterprises which have been approved and have obtained the permit to provide water transport services, any change of Macao service suppliers and any change of the share percentage held by Macao service suppliers shall be reported to the original authority-in-charge for approval.

Sector:	11. Transport Services
Sub-sector:	B. Internal Waterways Transport
	c. Rental of vessels with crew (CPC7223)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> The provision of rental of vessels with crew engaging in internal water transport is not allowed.

Sector:	11. Transport Services
Sub-sector:	B. Internal Waterways Transport
	d. Maintenance and repair of vessels (CPC8868)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Apply national treatment.

Sector:	11. Transport Services
Sub-sector:	B. Internal Waterways Transport
	e. Pushing and towing services (CPC7224)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> <ol style="list-style-type: none"> 1. The following criteria shall be met when providing internal waterways transport services: <ol style="list-style-type: none"> 1) In the business areas intended to operate, Mainland water transport service suppliers could not meet the demand. 2) Having good business and operating records in providing water transport services. 3) Restricted to equity joint venture, contractual joint venture and the capital contribution of the Macao service supplier not exceeding 50%. 2. For enterprises which have been approved and have obtained the permit to provide water transport services, any change of Macao service suppliers and any change of the share percentage held by Macao service suppliers shall be reported to the original authority-in-charge for approval.

Sector:	11. Transport Services
Sub-sector:	B. Internal Waterways Transport
	f. Supporting services for internal waterway transport (CPC745)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> <ol style="list-style-type: none"> 1. The provision of supporting services for internal waterway transport is restricted to: <ol style="list-style-type: none"> 1) The establishment of wholly-owned enterprises in Guangdong Province to provide material supplying services except fuels and water. 2) Providing services on cleaning, sterilizing, fumigating, pest control and sealing up of vessels and storage for arriving and anchoring vessels. 2. Corporate enterprise allowed to apply for ship registration is restricted to equity joint venture and the capital contribution of the Mainland investors shall not be less than 50%.

Sector:	11. Transport Services
Sub-sector:	C. Air Transport Services
	a. Passenger transportation (CPC731)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> <ol style="list-style-type: none"> 1. For the setting up and operation of public air transport companies, the Mainland party shall be the controlling shareholder, and the investment proportion of a Macao service supplier (including its affiliates) shall not exceed 25%, and also the legal representative shall be a Chinese citizen. 2. For the setting up and operation of general aviation enterprises engaging in business flights, aerial tours and services to industries, the Mainland party shall be the controlling shareholder. The setting up and operation of general aviation enterprises engaging in agricultural, forestry or fisheries operations is restricted to equity joint venture or contractual joint venture with the Mainland party.

Sector:	11. Transport Services
Sub-sector:	C. Air Transport Services
	b. Freight transportation (CPC732)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> For the setting up and operation of public air transport companies, the Mainland party shall be the controlling shareholder, the investment proportion of a Macao service supplier (including its affiliates) shall not exceed 25%, and also the legal representative shall be a Chinese citizen.

Sector:	11. Transport Services
Sub-sector:	C. Air Transport Services
	c. Rental of aircraft with crew (CPC734)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Apply national treatment.

Sector:	11. Transport Services
Sub-sector:	C. Air Transport Services
	d. Maintenance and repair of aircraft (CPC8868)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Apply national treatment.

Sector:	11. Transport Services
Sub-sector:	C. Air Transport Services
	e. Supporting services for air transport (CPC746)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> <ol style="list-style-type: none"> 1. Except investment and management of air traffic control system in the Mainland. 2. For investment in civil airports, the Mainland party shall take the corresponding controlling shareholding position. 3. The period of validity of the management services contract for small and medium airports shall not exceed 20 years; the provision of contract management services for large airports in the form of wholly-owned operations is not allowed. 4. The following types of ground services for air transport are only allowed in the form of wholly-owned operations: agency services; loading and unloading control, communication, and departure control system; unit load devices management services; passenger and baggage services; cargo and mail services; ramp services; and aircraft services. 5. For investment in aviation oil supply projects, the Mainland party shall be the controlling shareholder.

6. For investment in computerised reservation system projects, 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 clarity and avoidance of doubt, Macao service suppliers may submit the economic guarantee provided by Mainland-incorporated banks or guarantee companies recommended by the China Air Transport Association in their applications for the setting up of air transport sales agency enterprises (in the form of wholly-owned enterprises, equity joint ventures or contractual joint ventures) in the Mainland. Guarantee can also be provided by Macao banks, supplemented by the economic guarantee provided by the Mainland-incorporated banks or guarantee companies recommended by the China Air Transport Association within a specified period of time after the applications have been approved by the Mainland.

Sector:	11. Transport Services
Sub-sector:	D. Space Transport (CPC733)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> The provision of space transport service is not allowed.

Sector:	11. Transport Services
Sub-sector:	E. Rail Transport Services <ul style="list-style-type: none"> a. Passenger transportation (CPC7111)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> For the setting up and operation of rail passenger transport company, the Mainland party shall be the controlling shareholder.

Sector:	11. Transport Services
Sub-sector:	E. Rail Transport Services
	b. Freight transportation (CPC7112)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Apply national treatment.

Sector:	11. Transport Services
Sub-sector:	E. Rail Transport Services
	c. Pushing and towing services (CPC7113)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Apply national treatment.

Sector:	11. Transport Services
Sub-sector:	E. Rail Transport Services
	d. Maintenance and repair of rail transport equipment (CPC8868)
Obligations concerned:	National Treatment
Reserved Restrictive Measures :	<u>Commercial Presence</u> Apply national treatment.

Sector:	11. Transport Services
Sub-sector:	E. Rail Transport Services
	e. Supporting services for rail transport services (CPC743)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> For engaging in the construction and operation of major rail lines, the Mainland party shall be the controlling shareholder.

Sector:	11. Transport Services
Sub-sector:	F. Road Transport Services <ul style="list-style-type: none"> a. Passenger transportation (CPC7121+7122)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> <ol style="list-style-type: none"> 1. The provision of regular passenger transport services for travelers between Macao and the Mainland and between cities in the Mainland are restricted to the form of equity joint ventures, of which the Macao service supplier cannot hold more than 49% of the shares (a wholly-owned operation is only allowed to provide road-based passenger transport services in the western region). In addition, the joint venture operations have to meet the following criteria: <ol style="list-style-type: none"> 1) 50% of the registered capital of the enterprise must be used for the construction and renovation of the basic facilities of the passenger transport services. 2) At least one party of the principal investors must be an enterprise which has more than five years of experience in providing road-based passenger transport services in the Mainland. 3) Vehicles used shall be medium-sized passenger vehicles or above.

- 4) The operating period for a road transport enterprise in general shall be subject to a limit of no more than 12 years. If over 50% of the investment is used for the construction of the infrastructure of the passenger transport terminals, the operating period for the enterprise can be 20 years. For foreign-invested road transport enterprises operating businesses that comply with the road transport property policies and development planning and have passed the qualification assessment (in terms of quality assurance), they may apply for extension of their operating period upon the approval of the transport authorities at the provincial level. The duration of each extension shall not exceed 20 years.
2. Investment projects for road transport and related matters shall be approved by the transport authorities at the provincial level.

Sector:	11. Transport Services
Sub-sector:	F. Road Transport Services
	b. Freight transportation (CPC7123)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Apply national treatment.

Sector:	11. Transport Services
Sub-sector:	F. Road Transport Services
	c. Rental of commercial vehicles with operator (CPC7124)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Apply national treatment.

Sector:	11. Transport Services
Sub-sector:	F. Road Transport Services
	d. Maintenance and repair of road transport equipment (CPC6112+8867)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Apply national treatment.

Sector:	11. Transport Services
Sub-sector:	F. Road Transport Services
	e. Supporting services for road transport services (CPC744)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> 1. Provision of services for passenger vehicle terminals is subject to the following criteria: <ol style="list-style-type: none"> 1) Provision of services for passenger vehicle terminals is restricted to the form of equity joint ventures, of which the percentage of shareholding shall not exceed 49%. 2) The operating period for a road transport enterprise in general shall be subject to a limit of no more than 12 years. If over 50% of the investment is used for the infrastructure of the passenger transport terminals, the operating period for the enterprise can be 20 years. For foreign-invested road transport enterprises operating businesses that comply with the road transport property policies and development planning and have passed the qualification assessment (in terms of quality assurance), they may apply for extension of their operating period upon the approval of the transport authorities

at the provincial level. The duration for each extension shall not exceed 20 years.

2. Applications for investment in road passenger transportation or road passenger transport terminals shall be approved by the transport authorities at the provincial level.

Sector:	11. Transport Services
Sub-sector:	G. Pipeline Transport
	a. Transportation of fuels (CPC7131)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Apply national treatment.

Sector:	11. Transport Services
Sub-sector:	G. Pipeline Transport
	b. Transportation of other goods (CPC7139)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Apply national treatment.

Sector:	11. Transport Services
Sub-sector:	H. Services auxiliary to all modes of transport <ul style="list-style-type: none"> a. Cargo-handling services (CPC741)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Apply national treatment.

Sector:	11. Transport Services
Sub-sector:	H. Services auxiliary to all modes of transport <ul style="list-style-type: none"> b. Storage and warehouse services (CPC742)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Apply national treatment.

Sector:	11. Transport Services
Sub-sector:	H. Services auxiliary to all modes of transport c. Freight transport agency services (CPC748)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Maritime freight transport agency services provided by Macao service suppliers are restricted to: 1. The business of the wholly-owned shipping companies being set up is restricted to: 1) Set up wholly-owned shipping companies to provide regular business services only for vessels that they own or operate, such as shipping undertaking, issuance of bills of lading, settlement of freight rates, signing of service contracts, etc. 2) Set up wholly-owned shipping companies to provide shipping agency services only for vessels owned or operated by their parent company, including customs declaration and inspection, and use of common commercial bills of lading or multimodal transport

documents for conducting multimodal transport services.

- 3) Set up wholly-owned shipping companies to provide regular business services only for feeders and tugs that their parent company operate between Macao and ports that are opened to foreign vessels in the Mainland, such as shipping undertaking, issuance of bills of lading, settlement of freight rates, signing of service contracts, etc.
 - 4) Set up wholly-owned shipping companies to provide regular business services only for the shipping transport between Macao and the Class B ports in Guangdong Province operated by the concerned Macao service suppliers using chartered Mainland vessels, such as shipping undertaking, issuance of bills of lading, settlement of freight rates, signing of service contracts, etc.
2. To set up wholly-owned enterprises and their branches to provide shipping agency services only to the concerned vessel operators, for routes between Guangdong Province and Macao/Macao.
 3. Provision of third party international shipping agency services is only restricted to equity joint venture or contractual joint venture, of which the

percentage of shareholding shall not exceed 51%.

Sector:	11. Transport Services
Sub-sector:	H. Services auxiliary to all modes of transport d. Other (CPC749)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<p><u>Commercial Presence</u></p> <p>Provision of tally services to foreign vessels is restricted to equity joint venture or contractual joint venture.</p> <p>For clarity and avoidance of doubt, Macao service suppliers having registered in Macao and independently engaging in the inspection and surveying business for over 3 years can be treated as the qualification of making the application to set up Import and Export Commodities Inspection and Surveying Organizations in the Mainland.</p>

Sector:	11. Transport Services
Sub-sector:	I. Other Transport Services
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Apply national treatment.

Sector:	12. Other Services Not Included Elsewhere
Sub-sector:	<ul style="list-style-type: none"> A. Services of membership organizations (CPC95) B. Other services (CPC97) C. Private households with employed persons (CPC98) D. Services provided by extraterritorial organizations and bodies (CPC99)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> <ul style="list-style-type: none"> 1. Except the provision of services on trade unions, ethnic minority bodies; and religious or political group membership organizations. 2. Except coming to the Mainland to set up overseas organizations and institutions.