

[Courtesy Translation]

Annex 1

**The Mainland's Specific Commitments
on Liberalization of Trade in Services for Macao¹**

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 United Nations Provisional Central Product Classification (CPC).

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:	<u>Commercial Presence</u> 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: (1) 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) 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) 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
	b. Accounting, auditing and bookkeeping services (CPC862)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<p><u>Commercial Presence</u></p> <p>Macao permanent residents who have obtained the Chinese Certified Public Accountants (CPAs) qualification can be partners of partnership accounting firms in the Mainland, while the Mainland residents shall have the right of control over such accounting firms. Details of the requirement shall follow the regulations promulgated by responsible Mainland financial ministries. Macao permanent residents who are partners of these accounting firms are required to maintain a place of residence in the Mainland and reside in the Mainland for not less than six months every year.</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> Macao service suppliers shall be construction and engineering design enterprises, registered architects or registered engineers practising in Macao.

Sector:	1. Business Services
Sub-sector:	A. Professional Services e. Engineering services (CPC8672)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> 1. Macao service suppliers shall be construction and engineering design enterprises, registered architects or registered engineers practising in Macao. 2. For the construction and operation of integrated water networks, the Mainland party shall be the controlling shareholder.

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>
	1. Macao service suppliers shall be construction and engineering design enterprises, registered architects or registered engineers practising in Macao.
	2. For construction and operation of integrated water networks, the Mainland party shall be the controlling shareholder.

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> Not to provide general urban planning services and services for general planning for national-level scenic areas.

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 at provincial level and the relevant authorities under the Department of Commerce at provincial level 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> Apply national treatment.

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 ² .

² The operating mode in the form of commercial presence for this sector (sub-sector) has not yet existed in the Mainland.

Sector: 1. Business Services

Sub-sector: A. Professional Services

k. Other (Patent agency, Trade mark agency etc.) (CPC8921-8923)

Obligations concerned: National Treatment

Reserved Restrictive Measures: Commercial Presence

Apply national treatment.

Sector:	1. Business Services
Sub-sector:	B. Computer and Related Services
	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:** Commercial Presence

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 ³)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Apply national treatment.

³ "Network operation services and value-added network services" are covered under the Positive List of Telecommunications Services in Table 3 of Annex 1.

Sector : 1. Business Services

Sub-sector : B. Computer and Related Services
e. Other (CPC845, 849)

Obligations concerned: National Treatment

Reserved Restrictive Measures : Commercial Presence
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:	<u>Commercial Presence</u> <ol style="list-style-type: none"> 1. Not to engage in the development and application of human stem cells, genetic diagnosis and therapy technologies. 2. Not to engage in the research and development of precious and quality breeds that are rare and unique, and production of relevant breeding materials; breeding of new variety of genetically modified crop seeds, breeding livestock and poultry, and aquatic fingerlings, and the production of these genetically modified seeds (seedlings); and development activities for breeding of government protected wild animals and plants species originated from the Mainland. 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 <ul style="list-style-type: none"> 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
	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. Provision of market investigation⁴ services is restricted to equity joint venture or contractual joint venture (for broadcast television rating surveys, the Mainland party shall be the controlling shareholder). 2. Not to provide public opinion polling services and market research services that are not market investigation services. 3. The Mainland implements a qualification confirmation system for the administration of foreign-related investigation institutions and an examination and approval system for the control of foreign-related social investigation projects. Any foreign-related market investigation must be handled through an institution which has obtained foreign-related investigation qualifications,

⁴ Market investigation refers to the service of collecting information concerning the prospects and performance of the products of a particular organisation in the market, which includes market analysis (the size and other characteristics of the market) and analysis on consumers' behavior and preferences.

and any foreign-related social investigation must be handled through a Mainland-funded institution which has obtained foreign-related investigation qualifications with the approval of the authority concerned.

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> Not to provide inspection services for Mainland-registered vessels.

Sector:	1. Business Services
Sub-sector:	F. Other Business Services
	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 selection of new species of crops and seed production, the Mainland party shall be the controlling shareholder. 2. Not to engage in the development of nationally protected wild animal and plant resources of Mainland origin. 3. Not to engage in carving, processing or sales of nationally protected wild animals (including but not limited to ivory and tiger bone). 4. Not to engage in damage assessment of forest fires and other forest assessments. 5. Not to be granted Forest Ownership Certificates

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> Not to engage 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
	i. Services incidental to manufacturing (CPC884,885, except CPC88442)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Not to provide services relating to manufacturing not allowed to foreign investment.

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>
	1. For engaging in the construction and operation of electricity transmission 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 the Mainland municipalities outside the Guangdong Province with population over 0.5 million and in municipalities 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:** Commercial Presence
Apply national treatment.

Sector:	1. Business Services
Sub-sector:	F. Other Business Services <ul style="list-style-type: none"> I. Investigation and security services (CPC873)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> <ul style="list-style-type: none"> 1. Not to engage in investigation services. 2. Not to provide 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 above the level of municipalities divided into districts. 3. Not to set up or acquire shareholdings in Mainland security service companies providing armed guarding and transportation services.

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>
	1. Not 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) geodetic survey; aerial photography of survey and mapping; administrative region boundary survey and mapping; marine survey ⁵ ; 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

⁵ Marine survey refers to water body survey and marine survey and mapping.

maps and true three-dimensional maps, and compilation of electronic maps for navigation; survey of regional geological mapping, geology for mineral resources, geophysics, geochemistry, hydrogeology, environmental geology, geologic hazard, and geological remote sensing, etc.

2. Not 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 graphite;
- 4) beneficiation of lithium ore;
- 5) 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: Commercial Presence
Apply national treatment.

Sector: 1. Business Services

Sub-sector: F. Other Business Services

t. Other (CPC8790, except read-only optical discs duplication services⁶)

Obligations concerned: National Treatment

Reserved Restrictive Measures: Commercial Presence

Not to engage in seal engraving services.

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.

⁶ “Read-only optical discs duplication services” belongs to areas covered by Table 4 (Cultural Services Positive List) of Annex 1 of this Agreement.

Sector: 2. Communication Services

Sub-sector: A. Postal Services (CPC7511)

Obligations concerned: National Treatment

Reserved Restrictive Measures: Commercial Presence
Not to provide postal services.

Sector:	2. Communication Services
Sub-sector:	B. Courier services (CPC7512)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Not to provide express delivery service of correspondence within the Mainland and delivery service 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: Commercial Presence

Apply national treatment.

For clarity and avoidance of doubt, for construction enterprises set up in the Mainland by Macao service suppliers, the performance of the enterprises in works contracts both in the Mainland and outside the Mainland can be taken into account as a basis in assessing the qualification of the construction enterprises set up in the Mainland. There will be no restriction on the proportion of Macao permanent residents being project managers approved by the qualification administration authorities.

Sector: 3. Construction and Related Engineering Services

Sub-sector: B. General construction work for civil engineering (CPC513)

Obligations concerned: National Treatment

Reserved Restrictive Measures: Commercial Presence

1. For the general construction services of integrated water networks, the Mainland party shall be the controlling shareholder.
2. Not to provide construction works, procurement of facilities and equipment, as well as maintenance and management services in relation to national or international rivers and waterways.
3. Not to provide dredging service in relation to waterway maintenance.

For clarity and avoidance of doubt, for construction enterprises set up in the Mainland by Macao service suppliers, the performance of the enterprises in works contracts both in the Mainland and outside the Mainland can be taken into account as a basis in assessing the qualification of the construction enterprises set up in the Mainland. There will be no restriction on the proportion of Macao

permanent residents being project managers approved by the qualification administration authorities.

Sector: 3. Construction and Related Engineering Services

Sub-sector: C. Installation and assembly work (CPC514,516)

Obligations concerned: National Treatment

Reserved Restrictive Measures: Commercial Presence

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: Commercial Presence

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 trade services of books, newspapers, magazines, cultural relics ⁷)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<p><u>Commercial Presence</u></p> <ol style="list-style-type: none"> 1. Not to engage 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.

⁷ “Wholesale trade services of books, newspapers, magazines, cultural relics” belongs to areas covered by Table 4 (Cultural Services Positive List) of Annex 1 of this Agreement.

Sector:	4. Distribution Services
Sub-sector:	C. Retailing services (CPC631, 632, 6111, 6113, 6121, except retailing services of books, newspapers, magazines, cultural relics ⁸)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> <ol style="list-style-type: none"> 1. Not to provide retailing services of tobacco. 2. For gasoline stations chain set up by the same Macao service supplier having more than 30 branch stores selling different types and brands of processed oil coming from multiple suppliers, the Mainland party shall be the controlling shareholder.

⁸ “Retailing services of books, newspapers, magazines, cultural relics” belongs to areas covered by Table 4 (Cultural Services Positive List) of Annex 1 of this Agreement.

Sector: 4. Distribution Services

Sub-sector: D. Franchising (CPC8929)

Obligations concerned: National Treatment

Reserved Restrictive Measures: Commercial Presence
Apply national treatment.

Sector:	4. Distribution Services
Sub-sector:	E. Other distribution services (Except the auction of cultural relics ⁹)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<p><u>Commercial Presence</u></p> <ol style="list-style-type: none"> 1. The setting up and operation of duty-free stores shall comply with the relevant Mainland regulations. 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.

⁹ "Auction of cultural relics" belongs to areas covered by Table 4 (Cultural Services Positive List) of Annex 1 of this Agreement.

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. Not to invest 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 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 the province, 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:	<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.¹⁰ 2. Not to invest 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 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 the province, in addition to children of expatriates with residence permits to stay in the Mainland.

¹⁰ To allow establishment of non-academic secondary vocational training institutions on a wholly-owned basis in the Mainland, the scope of admission shall be analogous with that for Mainland vocational training institutions.

Sector:	5. Education Services
Sub-sector:	C. Higher education services (CPC923)
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.¹¹ 2. Not to invest on the establishment of education institutions providing special services in such areas as military affairs, policing, politics and religion etc.

¹¹ To allow establishment of non-academic tertiary vocational training institutions on a wholly-owned basis in the Mainland, the scope of admission shall be analogous with that for Mainland vocational training institutions.

Sector:	5. Education Services
Sub-sector:	D. Adult education (CPC924)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<p><u>Commercial Presence</u></p> <p>Not to invest on the establishment of education institutions providing special services in such areas as military affairs, policing, politics and religion etc.</p>

Sector:	5. Education Services
Sub-sector:	E. Other education services (CPC929)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<p><u>Commercial Presence</u></p> <p>Not to invest on the establishment of education institutions providing special services in such areas as military affairs, policing, politics and religion etc. Institutions investing in providing intermediary services for studying abroad on a self-funded basis is restricted to China (Guangdong) Pilot Free Trade Zone and China (Tianjin) Pilot Free Trade Zone.</p>

Sector: 6. Environmental Services

Sub-sector: A. Sewage services (CPC9401)

Obligations concerned: National Treatment

Reserved Restrictive Measures: Commercial Presence
Apply national treatment.

Sector: 6. Environmental Services

Sub-sector: B. Refuse disposal services (CPC9402)

Obligations concerned: National Treatment

Reserved Restrictive Measures: Commercial Presence
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: Commercial Presence
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:** A. All insurance and insurance-related services (CPC812)
- a. Life, accident and health insurance services (CPC8121)
 - b. Non-life insurance services (CPC8129)
 - c. Reinsurance and retrocession (CPC81299)
 - d. Services auxiliary to insurance (including broking and agency services, consultancy services, actuarial services) (CPC8140)

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 records of significant violation of laws and regulations.

To support eligible Macao insurance companies to set up branches in the China (Guangdong) Pilot Free Trade Zone. Those branches of the Macao insurance companies entering the Pilot Free Trade Zone are treated as Mainland insurance institutions and are subject to the same or similar supervisory 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 in the Mainland 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 records of disciplinary action.

Macao insurance agency companies entering the China (Guangdong) Pilot Free Trade Zone to provide insurance agency services are subject to the same or similar entrance criteria and supervisory regulations that are applicable to Mainland insurance intermediary institutions.

6. Macao insurance brokerage companies setting up wholly-owned insurance agency companies in the Mainland 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 insurance brokerage 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 records of disciplinary action.

Macao insurance brokerage companies entering the China (Guangdong) Pilot Free Trade Zone to provide insurance agency services are subject to the same or similar entrance criteria and supervisory regulations that are applicable to Mainland insurance intermediary institutions.

7. Macao insurance brokerage companies setting up wholly-owned insurance brokerage companies in the Mainland 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.

Macao insurance brokerage companies entering the China (Guangdong) Pilot Free Trade Zone to provide insurance brokerage services are subject to the

same or similar entrance criteria and supervisory regulations that are applicable to Mainland insurance intermediary institutions.

8. Macao service suppliers are not allowed to set up insurance loss adjusting companies in the Mainland.

Macao insurance loss adjusting companies entering the China (Guangdong) Pilot Free Trade Zone to provide insurance loss adjusting services are subject to the same or similar entrance criteria and supervisory regulations that are applicable to Mainland insurance intermediary institutions.

9. Except otherwise approved by the China Insurance Regulatory Commission, Macao 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:
 - 1. f1. money market instruments (CPC81339)
 - 2. f2. foreign exchange (CPC81333)
 - 3. f3. derivative products including, but not limited to, futures and options (CPC81339)
 - 4. f4. exchange rate and interest rate instruments, including products such as swaps,

- forward rate agreements, etc.
(CPC81339)
- 5. f5. transferable securities
(CPC81321)
- 6. 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 large commercial bank¹², 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 or rural bank 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;

¹² For the purpose of this clause, large commercial banks refer to Industrial and Commercial Bank of China, Agricultural Bank of China, Bank of China, China Construction Bank, and Bank of Communications.

- 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 large 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 to establish wholly foreign-funded banks, Chinese-foreign joint venture banks, or foreign bank branches;
 - 4) Approval is required for foreign banks to change the operating capital of foreign bank branches in the Mainland.
 - 5) Approval of the state council authority supervising credit information business is required for a credit information institution to provide credit information services.
 - 6) 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 large 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 large

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 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 suppliers 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 established by Macao service suppliers 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. Foreign bank branches established by Macao service suppliers shall not be allowed to engage in the business of acting as a receiving and paying agent for the government's treasury.
11. Macao service suppliers investing in a money brokerage company shall have

engaged in money brokerage business for over 20 years, have recorded profit for 2 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. 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. (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 securities companies that are allowed to 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.)

- 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%.

14. 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) Qualified Macao-funded financial institutions may set up one full-licensed Mainland-Macao joint venture securities company each in Shanghai Municipality, 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) Qualified Macao-funded financial institutions 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.

15. Except for the circumstances set forth in paragraphs 14(1) and 14(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 14(1) and 14(2), Macao shareholders of a joint venture securities company shall satisfy the qualification requirements for Macao-funded financial institutions specified in the Mainland.

16. Except for the circumstances set forth in paragraphs 14(1) and 14(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).

17. 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).
18. 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). (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 futures companies that are allowed to 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.)

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.

19. Investment in securities investment advisory 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 securities investment advisory companies that are allowed to 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.)

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%.

20. 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.

For clarity and avoidance of doubt, any foreign bank branch established in the Guangdong province by a Macao bank can apply to establish "cross-location" sub-branches (i.e. different from the municipality where the relevant branch is located) within the Guangdong province with reference to the relevant rules in the Mainland for establishing sub-branches. If a wholly foreign-funded bank established in the Mainland by a Macao bank has already established branches in the Guangdong province, such branches can apply to establish "cross-location" sub-branches (i.e. different from the municipality where the relevant branch is located) within the Guangdong province with reference to the relevant rules in the Mainland for establishing sub-branches.

Sector: 7. Financial Services

Sub-sector: C. Other

Obligations concerned: National Treatment

Reserved Restrictive Measures: Commercial Presence
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 at provincial level and relevant authorities under the Department of Commerce at provincial level in accordance with the Mainland's 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> Not to launch 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: Commercial Presence
Not to provide 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: Commercial Presence
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:	<p><u>Commercial Presence</u></p> <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
Measures:** Commercial Presence
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> Apply national treatment.

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> 1. The following criteria shall be met when providing coastal water transport services: 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

c. Rental of vessels with crew
(CPC7213)

**Obligations
concerned:** National Treatment

**Reserved
Restrictive
Measures:** Commercial Presence

Not to provide 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>
	The provision of supporting services for maritime transport is restricted to:
	<ol style="list-style-type: none"> 1) The establishment of wholly-owned enterprises 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. 3) Corporate enterprise with Mainland party is allowed to engage in salvage business. The Mainland party should be professional salvage institution(s) with appropriate salvage operation qualifications, which are approved by Ministry of Transport according to national regulations on conditions of engaging in professional salvage services.

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:	<p><u>Commercial Presence</u></p> <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> Not to provide rental of vessels with crew engaging in internal water transport.

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:	<p><u>Commercial Presence</u></p> <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:	<p><u>Commercial Presence</u></p> <p>The provision of supporting services for internal waterway transport is restricted to:</p> <ol style="list-style-type: none"> 1) The establishment of wholly-owned enterprises to provide material supplying services except fuels and water. 2) Providing services on cleaning, sterilising, fumigating, pest control and sealing up of vessels and storage for arriving and anchoring vessels. 3) Corporate enterprise with Mainland party is allowed to engage in salvage business. The Mainland party should be professional salvage institution(s) with appropriate salvage operation qualifications, which are approved by Ministry of Transport according to national regulations on conditions of engaging in professional salvage services.

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. The legal representative of the general aviation enterprises shall be a Chinese citizen.

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. Not to invest and manage 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 on a wholly-owned basis is not allowed. 4. To allow ground services for air transport on a wholly-owned basis, excluding security-related projects. 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 on wholly-owned, equity joint ventures or contractual joint ventures basis 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: Commercial Presence
Not to provide space transport service.

Sector:	11. Transport Services
Sub-sector:	E. Rail Transport Services
	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
	a. Passenger transportation (CPC7121,7122)
Obligations concerned:	National Treatment
Reserved Restrictive Measures:	<u>Commercial Presence</u> Apply national treatment.

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>
	Apply national treatment.

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:** Commercial Presence
Apply national treatment.

Sector:	11. Transport Services
Sub-sector:	H. Services auxiliary to all modes of transport 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 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 Mainland's opened-up ports 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 the Mainland and Hong Kong/Macao. 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%.

3. The registration of Macao service suppliers for the establishment of foreign-invested enterprises engaging in international maritime container station, container yard services, and international cargo warehousing services is delegated to the transport authorities of above prefecture-level (only in Guangdong Province). The registration of Macao service suppliers for the establishment of foreign-invested enterprises engaging in international ship management services is delegated to the transport authorities of provincial-level (only in Guangdong Province).

Sector: 11. Transport Services

Sub-sector: H. Services auxiliary to all modes of transport

d. Other (CPC749)

Obligations concerned: National Treatment

Reserved Restrictive Measures: Commercial Presence

Provision of tally services to foreign vessels is restricted to equity joint venture or contractual joint venture.

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 Organisations in the Mainland.

Sector: 11. Transport Services

Sub-sector: I. Other Transport Services

Obligations concerned: National Treatment

Reserved Restrictive Measures: Commercial Presence
Apply national treatment.

- Sector:** 12. Other Services Not Included Elsewhere
- Sub-sector:**
- A. Services of membership organisations (CPC95)
 - B. Other services (CPC97)
 - C. Private households with employed persons (CPC98)
 - D. Services provided by extraterritorial organisations and bodies (CPC99)

Obligations concerned: National Treatment

Reserved Restrictive Measures: Commercial Presence

1. Not to provide services on trade unions, ethnic minority bodies, and religious or political group membership organisations.
2. Not to set up representative offices of overseas organisations and institutions in the Mainland.