

Courtesy Translation

Supplement IV to the Mainland and Macao Closer Economic Partnership Arrangement

To further enhance the economic and trade exchanges, as well as the cooperation level between the Mainland^① and the Macao Special Administrative Region (hereinafter referred to as “Macao”), and in accordance with the provisions of:

- the Mainland and Macao Closer Economic Partnership Arrangement (hereinafter referred to as “CEPA”) signed on 17 October 2003,
- the Supplement to “CEPA” signed on 29 October 2004,
- the Supplement II to “CEPA” signed on 21 October 2005, and
- the Supplement III to “CEPA” signed on 26 June 2006,

the two sides decided to sign this Supplement for the Mainland’s further liberalization of trade in services for Macao, for intensifying Financial Services Cooperation and for enhancing Trade and Investment Facilitation between the two sides.

I. Trade in Services

1. From 1 January 2008, the Mainland shall, on the basis of the commitments on liberalization of trade in services under “CEPA”, the Supplement to “CEPA”, the Supplement II to “CEPA” and the Supplement III to “CEPA”, further relax the market access conditions in twenty-eight sectors, namely, legal, medical, computer and the related services, real estate, market research, management consulting related services, public utility, job intermediary, building-cleaning, photographic, printing, translation and interpretation, convention and exhibition, telecommunications, audiovisual, distribution, environmental, insurance, banking, securities, social services, tourism, cultural and recreational, sporting, maritime transport, air transport, road transport and individually owned stores. The details are set out in the Annex of this Supplement.

^① In “CEPA”, the “Mainland” refers to the entire customs territory of the People’s Republic of China.

2. The Annex of this Supplement is a supplement and amendment to Table 1 of Annex 4 “The Mainland’s Specific Commitments on Liberalization of Trade in Services for Macao” of “CEPA”, Annex 3 “Supplements and Amendments to the Mainland’s Specific Commitments on Liberalization of Trade in Services for Macao” of the Supplement to “CEPA”, Annex 2 “Supplements and Amendments II to the Mainland’s Specific Commitments on Liberalization of Trade in Services for Macao” of the Supplement II to “CEPA” and Annex “Supplements and Amendments III to the Mainland’s Specific Commitments on Liberalization of Trade in Services for Macao” of the Supplement III to “CEPA”. In case of conflict with the provisions of the above four instruments, the Annex of this Supplement shall prevail.

3. “Service suppliers” as referred to in the Annex of this Supplement shall conform to the requirements set out in Annex 5 “Definition of “Service Supplier” and Related Requirements” of “CEPA”. This Supplement

(1) Relaxes the number of years required on Macao banks or financial companies that should be engaged in substantive business operation and amends Article 3.1.2. in Annex 5 “Definition of “Service Supplier” and Related Requirements” of “CEPA” as follows:

“A Macao service supplier providing banking and other financial services (excluding insurance and securities), i.e. the Macao bank or financial company, after obtaining authorization from the Monetary Authority of Macao in accordance with “Macao Financial System Act”, should have engaged in substantive business operations for 5 years or more, or should have operated in the form of a branch for two years or more and engaged afterwards in substantive business operations in the form of a locally incorporated financial institution for three years or more.”

(2) Appends the following details to Article 3.1.2. (2) in Annex 5 “Definition of “Service Supplier” and Related Requirements” of “CEPA”:

“A Macao service supplier providing third-party international shipping agency services should have incorporated and established in Macao and have engaged in substantive business operations for 5 years or more.”

II. Financial Services Cooperation

The two sides will strengthen their cooperation in the finance sector by means of adopting the following measures:

1. Keenly supporting the Mainland bank to establish subsidiaries and launch business operation in Macao.
2. Opening green lanes for the Macao bank to establish branches in the Mid-Western, Northeastern regions and Guangdong Province of the Mainland.
3. Encouraging the Macao bank to set up village banks in the rural areas in the Mainland.

III. Trade and Investment Facilitation

The two sides undertake to adopt the following measures to intensify the cooperation in the convention and exhibition sector:

“The Mainland shall support and cooperate with Macao in terms of organising large-scale international convention and exhibition.”

IV. Annex

The Annex to this Supplement forms an integral part of this Supplement.

V. Coming Into Effect

This Supplement will come into effect on the day of signature by the representatives of the two sides.

Signed in duplicate in Macao, this 2nd day of July 2007 in the Chinese language.

Vice Minister of Commerce
People’s Republic of China

Secretary for Economy and Finance
Macao Special Administrative Region of
the People’s Republic of China

(Signature)

(Signature)