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Editor’s Notes :

Supplement 7 to CEPA was formally signed in the last third of May. The supplement further promotes cooperation between the Mainland and Macao on multiple areas, further relaxes the market access conditions in 11 service sectors and adds 2 more liberalized service sectors, bringing the total number of service sectors liberalized by the Mainland to Macao to 43. In the area of Trade and Investment Facilitation, the Mainland and Macao will add cooperation on education, bringing the total number of areas of Trade and Investment Facilitation under CEPA to 10. Starting from 1st of July, one more item will be added to the list of CEPA Zero Tariff Goods. The standard of origin of Macao goods exporting to the Mainland which are eligible for zero-tariff treatment reaches 1,210 Tariff Codes. In order to strengthen the sense of Macao enterprises towards protection of intellectual property, let them know the registration procedure of trademarks as well as the channels to preserve trademarks in the Mainland, Macao Economic Services invited officials from State Administration for Industry & Commerce of the PRC as well as specialists as speakers, and held a seminar on “How Macao enterprises can protect trademarks in the Mainland” in Macao. This seminar enabled the Macao enterprises to learn more about the situation of trademark registration in the Mainland.

1 The Mainland and Macao signed Supplement 7 to CEPA

Witnessed by the Chief Executive, Mr Chui Sai On, Director of the Central Liaison Office in Macao, Mr. Bai Zhi Jian, Deputy Director of Hong Kong and Macao Affairs Office of the State Council, Mr. Zhou Bo, Acting Commissioner of the Foreign Ministry in Macao, Mr. Song Yan Bin and Director-General of Macao Customs Service, Mr. Choi Lai Hang, Vice Minister of Commerce of the People’s Republic of China, Mr. Jiang Zeng Wei, and Secretary for Economy and Finance of the MSAR government, Mr. Tam Pak Yuen, represented the two sides to sign the legal text of Supplement 7 to CEPA on 28th of May at the Macao Government Headquarter.

The newly signed supplement mainly involves content of two areas, namely Trade and Investment Facilitation as well as Trade in Service.

For trade in services, starting from 1st of January, 2011, the Mainland will further relax the market access conditions in 11 service sectors, which comprise construction; medical services; audiovisual services; distribution; banking; social services; tourism; cultural and recreational services; air transport; qualification examinations for professionals and technicians; and individually owned stores. At the same time, 2 service sectors, namely technical testing, analysis and product testing as well as specialty design will be added, bringing the total number of liberalized service sectors under CEPA to 43.



Chief Executive, Mr Chui Sai On and other guests witnessed the signing ceremony of the legal text of Supplement 7 to CEPA

In the area of Trade and Investment Facilitation, the Mainland and Macao will add cooperation on education, bringing the total number of areas of Trade and Investment Facilitation under CEPA to 10. Within the area of Industrial Cooperation, in addition to the original cooperations in Chinese medicine industry and in convention and exhibition industry, cooperations in cultural industry, in environmental industry as well as in innovation and technology industry will be added. Relevant cooperation mechanism and content of cooperation has also been set. The total number of areas of cooperation under Industrial Cooperation will be increased to 5, creating favourable conditions for related industries, and complementing the policies on local economic and industrial development. Furthermore, the two sides will further strengthen the cooperation in convention and exhibition industry so as to promote the development of this industry. In the future, upon request of the MSAR Government and subject to the agreement of relevant authorities of the Central Government, the relevant Mainland departments will facilitate the processing of applications made by Mainland enterprises and individuals for travel documents and endorsements required for visiting Macao to participate in conventions and exhibitions held in Macao.

The main content of liberalization of different service sectors is as follows:

Service Sectors	Main Content of Liberalization in the Supplement 7 to CEPA
Construction	<ul style="list-style-type: none"> ● To allow Macao professionals who have obtained Mainland’s class 1 registered architect qualification or Mainland’s class 1 registered structural engineer qualification to act as partners to set up construction and engineering design offices in the Mainland in accordance with the relevant qualification requirements.

Service Sectors	Main Content of Liberalization in the Supplement 7 to CEPA
	<ul style="list-style-type: none"> ● For the above enterprises, there is no restriction on the ratio of the number of the Macao partners to the number of the Mainland partners, the ratio of the total capital contributed by the Macao partners to that by the Mainland partners, and the residential period in the Mainland for the Macao partners.
Medical Services	<ul style="list-style-type: none"> ● To allow Macao service suppliers to establish wholly-owned hospitals in Shanghai Municipality, Chongqing Municipality, Guangdong Province, Fujian Province and Hainan Province. ● No requirement is imposed on the total investment in setting up hospitals by Macao service suppliers on an equity joint-venture or contractual joint-venture basis in Guangdong Province. ● No restriction is imposed on the ratio of capital investment between Macao service suppliers and Mainland partners in setting up hospitals in the form of equity joint venture or contractual joint venture in Shanghai Municipality, Chongqing Municipality, Guangdong Province, Fujian Province and Hainan Province. ● To allow Macao statutory medical professionals to provide short-term services in the Mainland. The maximum duration of the license for short-term practice is 3 years. On expiry, the license for short-term practice is renewable upon a new application. ● The health administrative department at the provincial level of Guangdong Province is responsible for the project establishment and approval procedures for setting up medical institutions by Macao service suppliers on an equity joint venture or contractual joint venture basis in Guangdong Province. ● To allow Macao service suppliers to set up convalescent hospitals on wholly-owned, equity joint-venture or contractual joint-venture basis to provide medical services in Guangdong Province.
Technical Testing, Analysis and Product Testing (newly added commitment)	<ul style="list-style-type: none"> ● To allow testing organizations in Macao to cooperate with designated Mainland organizations to undertake testing of products for the China Compulsory Certification (CCC) System on a pilot basis, for selected products listed in the CCC Catalogue and processed in Macao (i.e. the processing facilities are located in Macao). These testing organizations have to be accredited by the accreditation body of the Government of Macao Special Administrative Region to be capable of performing testing for the relevant products under the CCC System. Cooperation arrangements should comply with relevant requirements in the “Regulations of the People’s Republic of China on Certification and

Service Sectors	Main Content of Liberalization in the Supplement 7 to CEPA
	Accreditation”.
Specialty Design (newly added commitment)	<ul style="list-style-type: none"> ● To allow Macao service suppliers to set up wholly-owned enterprises in the Mainland to provide specialty design services.
Audiovisual	<ul style="list-style-type: none"> ● To allow Macao service suppliers to set up enterprises on a wholly-owned, equity joint-venture or contractual joint-venture basis in the Mainland to produce video and sound recording products. ● To allow Macao permanent residents with Chinese citizenship to apply for “License for Operating Audio and Video Products” for the setting up of individually owned stores in the Mainland.
Distribution	<ul style="list-style-type: none"> ● To allow distribution enterprises set up by Macao service suppliers in the Mainland to distribute books published in Macao. The Macao books to be distributed must be imported by the State authorized publication import agents.
Banking	<ul style="list-style-type: none"> ● For a Macao bank to set up a wholly foreign-funded bank or a foreign bank branch in the Mainland with reference to the relevant requirements in the “Regulations of the People’s Republic of China for the Administration of Foreign-funded Banks”, it should have maintained a representative office in the Mainland for more than one year prior to the application. ● For a Macao bank’s operating institution in the Mainland to apply to conduct RMB business, it should have been operating in the Mainland for more than 2 years and profitable for one year prior to the application. ● Any foreign banking institution established in the Mainland by a Macao bank can establish specialized institutions to provide financial services for small enterprises in accordance with the relevant requirements in the Mainland.
Social Services	<ul style="list-style-type: none"> ● To allow Macao service suppliers to operate elderly service agencies in the form of wholly-owned private non-enterprises to provide elderly services. ● To allow Macao service suppliers to operate welfare agencies for persons with disabilities in the form of wholly-owned private non-enterprises.
Tourism	<ul style="list-style-type: none"> ● To allow Macao travel agents established on a wholly-owned or joint-venture basis in the Beijing and Shanghai Municipalities to apply for the operation on a pilot basis of group tours to Macao and Hong Kong for residents of the Beijing and Shanghai Municipalities (residents registered with permanent residence of the Beijing and Shanghai Municipalities).
Cultural and	<ul style="list-style-type: none"> ● To allow Macao service suppliers to set up internet culture business units and

Service Sectors	Main Content of Liberalization in the Supplement 7 to CEPA
Recreational	internet online service premises in the Mainland in the form of contractual joint-ventures with the Mainland party holding dominant interests.
Air Transport	<ul style="list-style-type: none"> ● To allow air transport sales agencies set up by Macao service suppliers in the Mainland in the form of wholly-owned enterprises, equity joint-venture or contractual joint-venture to operate air transport sales agency services in the domestic routes in the Mainland. ● To allow Macao service suppliers to operate aircraft repair and maintenance services in the Mainland in the form of wholly-owned enterprises or with majority shareholding in the enterprises.
Professional Qualification Examination	<ul style="list-style-type: none"> ● To allow Macao permanent residents to take the qualification examination for real estate valuer in the Mainland. “Certificate of professional qualification of real estate valuer” will be issued to those who pass the examination.
Individually Owned Stores	<ul style="list-style-type: none"> ● 4 new scopes of business are liberalized for Macao permanent residents with Chinese citizenship to set up in the Mainland, including: marriage services under residents services (excluding matchmaking services), renting and leasing services of comic books and electronic animation game products, renting and leasing services of animation audio-video products, as well as veterinary services: pet clinics (to be operated in cities only)

For detailed content please visit the website of Macao Economic Services (www.economia.gov.mo) or the CEPA exclusive website (www.cepa.gov.mo)

2. The General Administration of Customs of the Mainland and Macao Economic Services held consultation on the rules of origins of Macao products applying for zero-tariff treatment



The General Administration of Customs and Macao Economic Services held consultation on the rules of origins of Macao products applying for zero-tariff treatment for the first half of 2010.

The consultation on the rules of origins of Macao products applying for zero-tariff treatment for the first half of 2010 was convened in Qingdao on 28th of April. Representatives from the General Administration of Customs, Macao Economic Services and Gongbei Office for the Administration of Rules of Origin, etc. attended the meeting.

The meeting mainly focused on the consultation on the rules of origin for “mixed fatty acids” proposed by local factory owners. Lastly both sides reached an agreement on the rules of origin for the products

that Macao petitioned for zero-tariff treatment for the first half of 2010. Starting from 1st of July, under

Trade in Goods of CEPA, the total number of Macao products eligible for the zero-tariff treatment has reached 1,210. The Mainland tariff codes and the related rules of origin of those new zero-tariff products are now available on the website of Macao Economic Services (www.economia.gov.mo) or the CEPA exclusive website (www.cepa.gov.mo).

3. The Ministry of Commerce of the PRC and Macao Economic Services devoted to promote implementation of CEPA in different places

To further carry out the implementation of CEPA, this year Macao Economic Services keeps on strengthening a series of promotional work of CEPA both locally and in the Mainland. Institute of European Studies of Macau, Macao Trade and Investment Promotion Institute and European Chamber of Commerce Hong Kong jointly held “Seminar on CEPA Business Opportunities” at Macao Business Support Centre (MBSC) of IPIM on 18th March. More than 50 representatives from Macao business sector and European Chamber of Commerce attended. Representatives from Macao Economic Services, DSL Lawyers Macau and SIM Macau Industrial Company Limited were invited to be speakers at the seminar. Representative from Macao Economic Services introduced the content of CEPA and outlined the preferential access measures under CEPA for the main services sectors of Macao, including finance, convention and exhibition, logistics, management consulting, tourism, etc.



Group photo of representatives of organizers and speakers of “Seminar on CEPA Business Opportunities”



The Ministry of Commerce of the PRC held “Mainland and Macao CEPA Training” in Guangxi

To cope with the training of officials under the national commerce system by the Ministry of Commerce of the PRC, representative from Macao Economic Services attended “2010 Mainland and Macao CEPA Training” held in Nanning, Guangxi on 26th of March and gave presentation on designated topic. During the meeting, Deputy Director-General of the Department of Taiwan, Hong Kong & Macao Affairs of the Ministry of Commerce, Mr. Sun Tong and Deputy-Director of Division, Mr.

Shan Xing Xuan gave an in-depth description of CEPA. Meanwhile representatives from Hong Kong Trade and Industry Department and Macao Economic Services gave a brief description on the economic condition and the service sector of Hong Kong and Macao respectively, as well as the cooperation opportunities between the Mainland and Hong Kong / Macao under the framework of CEPA.

Moreover, Academy for International Business Officials, which is directly under the Ministry of Commerce of the PRC, has been holding seminars for the business officials of the developing countries. The academy continued to hold “Economic Management Seminar for Portuguese Speaking Countries” in May to provide training for the economic management officials of Portuguese speaking countries, and had invited Macao Economic Services to send a representative to be the speaker of designated topic for the seminar on 19th of May, to introduce the economic condition of Macao and the content of CEPA to the officials of Portuguese speaking countries, as well as to let the attended officials to have more understanding of CEPA. This helps the Portuguese speaking countries to enter the enormous market of the Mainland through CEPA, and makes Macao fully act the role as the economic and trade platform for Portuguese speaking countries.

4. Dynamic Macao Business & Trade Fair moved to be held in Zhengzhou of Henan

Held by the Macao Convention and Exhibition Association (MCEA), the exhibition “Dynamic Macao Business & Trade Fair – Henan Zhengzhou” was held from 16th to 18th of April in Zhengzhou of Henan.

During the 3 days of the business and trade fair, the number of visitors exceeded 72 thousands, which was the highest among all previous fairs. Succeeding the ones held in Shanghai, Chongqing and Beijing Municipalities, the Business and Trade Fair of Henan Zhengzhou was the first to be held in the capital city of a province, and was included in the overall activities of “*GY Prayer Shrine in the Hometown of Huangdi*”, which was hosted by the Political Consultative Conference of Henan Province and undertaken



Secretary for Economy and Finance, Mr. Tam Pak Yuen and other guests attended the Opening Ceremony.

by the government of Zhengzhou city. The exhibition area of this fair reached 6,000 square meters with 220 booths. 90 organizations and small & medium sized enterprises from Macao participated in this fair. In the opening ceremony of this fair, Macao and Zhengzhou enterprises signed economic and trade cooperation agreements with total value of MOP 1.65 million. Aside from exhibiting and selling featured products of Macao, “Trade Promotion and Exchange between Zhengzhou and Macao” was held at the fair, stressing Macao as the platform for economic and trade cooperation between China and Portuguese speaking countries, proceeding effective communication and linking for enterprises of Zhengzhou and Macao, and promoting the economic and trade cooperation of the two places.

5. Macao Economic Services invited specialists from the Mainland to hold a seminar on “How Macao enterprises can protect trademarks in the Mainland”

To strengthen the sense of Macao enterprises towards protection of intellectual property, let them know the registration procedure of trademarks as well as the channels to preserve trademarks in the Mainland, Macao Economic Services held a seminar on “How Macao enterprises can protect trademarks in the Mainland” on 27th of May, and had invited Director of Case Handling Division IV of Trademark Review and Adjudication Board under State Administration of Industry & Commerce of the PRC, Mr. Zhang Liwei, and Senior Partner of Wan Hui Da Law Firm and Intellectual Property Agency (Beijing), Dr. Huang Hui to present for designated topics respectively. During the seminar, Director Zhang Liwei explained about the institutional set up and functions of Trademark Review and Adjudication Board, process of adjudication and trial standards, administrative litigation work of trademark review and adjudication case, as well as the current condition and future developments of Trademark Review and Adjudication Board; Dr. Huang Hui gave detailed description on the practical work of trademark agency, as well as topics such as how to handle procedures of trademark registration in the Mainland and maintenance of rights. Lastly the speakers explained and answered in detail the questions raised by the industry. Through this seminar, Macao enterprises could understand more about the situation of trademark registration in the Mainland.