

CEPA Newsletter ♦ September 2008 Edition ♦ Issue no. 26 ♦

Published by Macao Economic Services

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Editor's Note

- The Supplement V to CEPA was signed on 30 July, 2008, covering two major areas including Trade in Services; and Trade and Investment Facilitation. On the front of Trade in Services, the Mainland will further introduce liberalization measures in 16 service sectors as well as open 2 new sectors namely, services incidental to mining; related scientific and technical consulting services. The total number of service sectors covered by CEPA will be expanded to 40. With respect to Trade and Investment Facilitation, a new cooperation area in “brand promotion” is newly included, resulting in a cumulative of 9 cooperation areas in total. Meanwhile, these new liberalization measures facilitate to strengthen the Guangdong Province as an early and pilot base for CEPA, in the way that not only extend the scope of business (either committed or on a pilot basis) in Guangdong for Macao service suppliers, but also further relax market threshold of related sectors and delegate relevant approval authority to Guangdong.
- To strengthen the cooperation and exchanges in the Guangdong-Macao logistics industries, Macao Economic services led local enterprises and relevant associations to attend “2008 Guangdong-Macao Logistics Cooperation Conference” as well as to pay site-visits to infrastructure of airport and harbour facilities in Guangzhou early this September. The purpose of the exchange activity was to explore vast business opportunities in the Mainland for the Macao enterprises amid the recently signed Supplement V to CEPA.
- There has been increasing number of candidates in Macao for the Mainland

National Vocational Examinations. As recorded, Macao Productivity and Technology Transfer Centre has arranged more than 1,000 Macao residents to prepare and sit for the national vocational examinations, with over 80% in passing rate, thus indicating an arising awareness in the vocational examinations.

1. The Supplement V to CEPA enhances to uplift Guangdong-Macao ties in economic and trade cooperation

Witnessed by the Chief Executive, Mr. Edmund Ho Hau Wah, the Deputy Director of Liaison Office of the Central People's Government in Macao SAR, Mr. Gao Yan, Deputy Director of Hong Kong and Macao Affairs Office of the State Council, Mr. Zhou Bo, Commissioner of the Office of the Commissioner of the Ministry of Foreign Affairs of the PRC in the Macao SAR, Mr. Lu Shumin and the Director-General of Macao Customs Service, Mr. Choi Lai Hang, the legal text of the Supplement V to CEPA was signed by the Vice Minister of Commerce, Mr. Jiang Zengwei and the Secretary for Economy and Finance of the Macao SAR, Mr. Francis Tam Pak Yuen on behalf of the Mainland and Macao, respectively.



The Vice Minister of Commerce, Mr. Jiang Zengwei and the Secretary for Economy and Finance of the Macao SAR, Mr. Francis Tam Pak Yuen, signed the Supplement V to CEPA. (Courtesy photo from the Government Information Bureau)

The Supplement V to CEPA covers two main areas: Trade in Services; Trade and Investment Facilitation. With respect to Trade in Services, from January 1, 2009, the Mainland will deepen liberalization measures in 16 existing service sectors, including accounting, construction, medical, computer and related services,

placement and supply services of personnel, printing, convention and exhibition, distribution, environmental, banking, social services, tourism, maritime transport, air transport, road transport, and individually owned stores. Further, 2 new sectors are also newly included, namely services incidental to mining; related scientific and technical consulting services, expanding the number of service sectors covered by CEPA from the existing 38 to 40. Meanwhile, the new Supplement facilitates to strengthening Guangdong as an early and pilot base for CEPA. As such, these measures not only extend the scope of business (either committed or on a pilot basis)

for Macao service suppliers in Guangdong, but also further relax market threshold in related sectors and delegate relevant approval authority to Guangdong. As for Trade and Investment Facilitation, a new cooperation area in “brand promotion” is newly included, resulting in a cumulative of 9 cooperation areas in total.

Major liberalization measures of Trade in Services are as follows:

Service Sectors	Commitments in CEPA VI
Accounting	<ul style="list-style-type: none"> • the validity period of “Temporary Performing Auditing Business Permit” is extended from 2 years to 5 years • to agree setting up an examination centre in Macao for the Mainland Certified Public Accountants Examination
Construction	<ul style="list-style-type: none"> • there is no restriction on the proportion of total investment contributed by the Mainland partners to the registered capital for equity or contractual joint venture construction engineering design enterprises in the Mainland
Medical	<ul style="list-style-type: none"> • to allow setting up wholly-owned outpatient clinics in the Guangdong Province • there is no restriction on the ratio of capital investment between the Mainland and Macao partners for the equity or contractual joint venture outpatient clinics in the Guangdong Province • there is no requirement on the total amount of capital investment for wholly-owned, equity or contractual joint venture outpatient clinics in the Guangdong Province • the provincial health administrative department of the Guangdong Province is responsible for the proposal establishment and approval procedures for setting up wholly-owned, equity or contractual joint venture outpatient clinics in Guangdong • to allow Macao permanent residents with Chinese citizenship to apply for and obtain “Medical Practitioner’s Qualification Certificates” of the Mainland through accreditation
Placement and Supply Services of Personnel	<ul style="list-style-type: none"> • the minimum registered capital requirements for setting up wholly-owned job referral agencies and job intermediaries will follow the requirements applicable to the Mainland enterprises in the Guangdong Province

Service Sectors	Commitments in CEPA VI
Printing	<ul style="list-style-type: none"> the minimum registered capital requirement for setting up printing enterprises in the Mainland to provide packaging and ornament services for printed matters will follow the requirements applicable to the Mainland enterprises
Convention and Exhibition	<ul style="list-style-type: none"> to allow setting up wholly-owned, equity or contractual joint venture in Beijing Municipality, Tianjian Municipality, Chongqing Municipality and the Zhejiang Province, to provide services of organizing overseas exhibitions on a pilot basis. Participating exhibitors should be enterprises registered in that province or municipality correspondingly
Distribution	<ul style="list-style-type: none"> to relax the restrictions on allowing Macao service suppliers who open more than 30 stores accumulatively in the Mainland to run business on a wholly-owned basis
Environmental	<ul style="list-style-type: none"> to agree the Guangdong Province to approve the qualification of Macao service suppliers who set up enterprises engaging in environmental pollution control facilities in Guangdong
Banking	<ul style="list-style-type: none"> to allow Mainland-incorporated banking institutions established by Macao banks to set up data centres in Macao
Social Services	<ul style="list-style-type: none"> to allow Macao service suppliers to establish welfare agencies for people with disabilities in the form of wholly-owned private non-enterprises in the Guangdong Province on a pilot basis
Tourism	<ul style="list-style-type: none"> to delegate to the Guangdong Province the authority of approving Macao service suppliers who set up wholly-owned, equity or contractual joint venture travel agencies in Guangdong to allow Macao permanent residents with Chinese citizenship to sit for the Mainland's qualification examination for tourist guides. Tourist guide qualification certificates will be awarded to those who have passed the examination in accordance with the relevant regulations
Maritime Transport	<ul style="list-style-type: none"> to allow setting up wholly-owned enterprises and their

Service Sectors	Commitments in CEPA VI
	branches in the Guangdong Province, on a pilot basis, to provide shipping agency services to vessel operators who engage in shipping routes between the Guangdong Province and Hong Kong or Macao
Air Transport	<ul style="list-style-type: none"> to allow Macao service suppliers to submit the economic guarantee provided by the Mainland incorporated banks or guarantee companies recommended by the China Air Transport Association, when applying for setting up wholly-owned, equity joint venture or contractual joint venture air transport sales agencies in the Mainland
Individually Owned Stores	<ul style="list-style-type: none"> newly open 2 service areas for setting up individually owned stores in all places of Mainland: building-cleaning services and advertising production services newly open 2 service areas for setting up individually owned stores only in the Guangdong Province: trade brokerage and agency services (excluding auction); renting and leasing services (excluding renting and leasing of housing services)

For more details of Supplement V to CEPA, please refer to Macao Economic Services website: <http://www.economia.gov.mo>

2. Macao Economic Services led local enterprises to Guangdong to strengthen cooperation in logistics industries between the two places



Macao delegation paid a visit to Nansha Harbour

In order to facilitate the implementation of CEPA and under the framework of Cooperation in Guangdong-Macao Service Sectors, promotion to the development of logistics industries is one of the leading projects for the two places. Upon the success of organizing the first logistics cooperation conference last year, the Economic and Trade Commission of

Guangdong Province (GDET) and Macao Economic Services co-organized the “2008 Guangdong-Macao Logistics Cooperation Conference” in Guangzhou from 3 ~ 4 of September this year. The purpose of the two-day exchange activities was to create a new platform to uplift the level of trade and economic cooperation and strengthen communications in policy-making of the two places, so as to seek for mutual development and prosperity in the long run.

The Macao logistics delegation, consisting representatives from relevant business associations and logistics enterprises, led by Mr. Sou Tim Peng, Acting Director of Macao Economic Services, paid site-visits to major logistics infrastructure in Guangzhou, including Nansha Harbour and the Baiyun International Logistics Zone on the first day of the Conference. Following the next day came the logistics forum, in which government departments, scholars, experts and logistics representatives from Guangdong and Macao delivered speeches on the development of logistics industries and exchanged views with attendees during the seminar. Subsequently, accompanied by the officials of GDET, the Macao delegation also paid visits to the Administration for Industry and Commerce of Guangdong Province and the Department of Foreign Trade and Economic Cooperation of Guangdong Province.



The Macao delegation took photos with the officials of GDET and other guests

3. Officials from the General Administration of Customs held explanatory session on harmonized system of goods in Macao

Macao Economic Services invited officials from the General Administration of Customs of the PRC to organize training courses on commodities classification system in the Mainland and customs clearance under CEPA from 14 ~ 15 August, 2008. Participants for the course held in MES included representatives from Macao Economic Services, Statistics and Census Bureau and Macao Customs Service. Instructors were officials invited from the



Instructors explained details on the commodity classification system to participants

Classification Centre of the Guangzhou Sub-Administration of China Customs, Classification Team of the Division of Duty Collection of Gongbei Customs and the Origins Administration Office of Gongbei Customs. In order to enhance the work of the related Macao government departments, instructors elaborated details on the 2007 revised edition of the harmonized system and relevant information on classification of commodities; classification of Macao CEPA goods; the implementation of Trade in Goods under CEPA; and customs clearance in the Mainland.

4. Registration for the Mainland National Vocational Qualification Examination is now underway

Macao Productivity and Technology Transfer Centre (CPTTM) serves as the designated coordination unit for the Mainland National Vocational Qualification Examination in Macao since 2005, to provide preparatory courses for the examinations and to organize registration procedures for Macao residents, with an aim to promote their competitiveness to explore the enormous Mainland market. According to the information provided by CPTTM, the Centre has arranged more than 1,000 candidates to prepare and sit for the national vocational examinations, in which the passing rate reached over 80%. Subjects for examinations emphasized on contents of Trade in Services in CEPA, including Chinese cuisine, Chinese noodle, beauty treatment, hairdressing and logistics, etc. Further, the Centre has also organized 17 other training courses such as for, electrician, chef of Chinese cuisine, chef of Chinese noodle and pastry, chef of western cuisine, chef of western noodle and pastry, beautician, hairdresser, flower arrangement, mechanic for apparel apparatus, entrepreneurial trainer, management trainer of human resources, etc. In 2008, courses for baby-sitter and mechanic for motor vehicles are also newly included and subsequently, the coordination unit will schedule to hold examinations for electrician, baby-sitter, beautician, chef of Chinese cuisine and mechanic for motor vehicles in the coming fourth quarter.

For further information about the National Vocational Qualification Examinations, please visit the website of Professional Examination Resources Unit of CPTTM:

<http://www.cpttm.org.mo/qualification>

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