

China-Macao Closer Economic Partnership Arrangement Supplement VI

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Supplement VI 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,
- the Supplement III to “CEPA” signed on 26 June 2006,
- the Supplement IV to “CEPA” signed on 2 July 2007, and
- the Supplement V to “CEPA” signed on 30 July 2008,

the two sides decided to sign this Supplement VI for the Mainland’s further liberalization of trade in services for Macao, enhancing trade and investment facilitation, and promoting mutual recognition of professional qualifications .

I. Trade in Services

1. From 1 October 2009, 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”, the Supplement III to “CEPA”, the Supplement IV to “CEPA”, and the Supplement V to “CEPA”, further relax the market access conditions in nineteen sectors, namely, legal, construction, medical, research and development,

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

real estate, placement and supply services of personnel, printing, convention and exhibition, public utility, telecommunications, audiovisual, distribution, banking, securities, tourism, cultural and recreational, maritime transport, air transport, and individually owned stores. The details are set out in the Annex of this Supplement VI.

2. The Annex of this Supplement VI 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”, 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”, Annex “Supplements and Amendments IV to the Mainland’s Specific Commitments on Liberalization of Trade in Services for Macao” of the Supplement IV to “CEPA”, and Annex “Supplements and Amendments V to the Mainland’s Specific Commitments on Liberalization of Trade in Services for Macao” of the Supplement V to “CEPA”. In case of conflict with the provisions of the above six instruments, the provisions of the Annex of this Supplement VI shall prevail.

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

II. Trade and Investment Facilitation

In order to enhance cooperation in the protection of intellectual property rights, the two sides agree to adopt the following measures to intensify the exchanges and cooperation in the area of Trademarks.

(1) Cooperation Mechanism

The State Administration for Industry and Commerce and Macao Economic Services shall establish a communication mechanism in order to strengthen the cooperation in the area of Trademarks.

(2) Content of Cooperation

1. Strengthen exchanges of information in relation to Trademarks between the two places.
2. Enhance the understanding of trademark registration systems of the two sides by enterprises in both places by means of seminars, discussion sessions, and website propaganda, etc.
3. Strengthen cooperation of the two sides in personnel training.

III. Mutual Recognition of Professional Qualifications

The two sides agree to adopt the following measures to advance the mutual recognition of professional qualifications.

(1) Accounting

The two sides shall initiate studies on mutual exemption of certain examination papers in the professional qualification examinations for China Certified Public Accountant and Macao Registered Auditor.

(2) Printing Services

Competent authorities and relevant professional bodies of the two sides shall initiate technical exchanges of printing technicians from both places.

IV. Annex

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

V. Coming Into Effect

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

Signed in duplicate in Macao, this 11th day of May 2009 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

Courtesy Translation

Annex

Supplements and Amendments VI to the Mainland's Specific Commitments on Liberalization of Trade in Services for Macao^①

Sectors or sub-sectors	1. Business services
	A. Professional services
	1. Legal services (CPC861)
Specific commitments	<p>1. To allow Macao lawyers who have experience in legal practice for at least 5 years^② and have passed the National Judicial Examination to participate in a no less than one-month intensive training organized by the Mainland lawyer associations in accordance with the “Lawyer Law of the People’s Republic of China” and the “Administrative Regulations on Internship for Lawyers Applying for Legal Practice (Provisional)” of the All-China Lawyers' Association. Those who are qualified after the training and examination can apply for lawyer practicing in the Mainland.</p> <p>2. To allow Macao law firms that have set up representative offices in the Mainland to operate in Guangdong Province in association with Mainland law firms that have set up for one year or more and have at least one founding partner with experience in legal practice for at least 5 years.</p>

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

^② In this context, the requirement on the number of years of practice of Macao lawyers is calculated according to the actual number of years of practice of the lawyers shown on the relevant credentials issued by the Macao Lawyer Association.

Sectors or sub-sectors	1. Business services
	A. Professional services
	h. Medical and dental services (CPC9312) Pharmaceutical services
Specific commitments	<p>1. To allow Macao permanent residents who have possessed Macao pharmacist practicing licenses and fulfill the “Provisional Requirements on the Qualifications of Licensed Pharmacists” (the Ministry of Personnel [1999] No. 34) to sit the Mainland Licensed Pharmacist Qualification Examination. A “Licensed Pharmacist Qualification Certificate” will be issued to those who have passed the examination.</p> <p>2. To allow Macao permanent residents who have possessed Macao pharmacist practicing licenses to proceed with registration in accordance with the “Provisional Administrative Measures on Registration of Licensed Pharmacists” (State Food and Drug Administration [2000] No. 156), as well as other related documents, after they have been granted the Mainland “Licensed Pharmacist Qualification Certificate”.</p> <p>3. To allow the shareholding ratio of Macao service suppliers in the equity or contractual joint-venture medical institutes set up in the Mainland not exceeding 70%. ^①</p>

^① The establishment of equity or contractual joint-venture outpatient clinics by Macao service suppliers in Guangdong province should be handled in accordance with the Supplement V to “CEPA”.

Sectors or sub-sectors	1. Business services
	C. Research and Development Services
	a. Research and experimental development services on natural sciences and engineering (CPC8510)
Specific commitments	To allow Macao service suppliers to set up wholly-owned enterprises in the Mainland to provide research and experimental development services on natural sciences and engineering. ^①

^① Excluding the industries prohibited in the “Catalogue for the Guidance of Foreign Investment Industries”.

Sectors or sub-sectors	1. Business services
	D. Real estate services
	<ul style="list-style-type: none"> a. Real estate services involving own or leased property (CPC821) b. Real estate services on a fee or contract basis (CPC822)
Specific commitments	To allow Macao service suppliers to provide real estate project services on a wholly-owned basis in the Mainland.

Sectors or sub-sectors	1. Business services
	F. Other business services
	k. Placement and supply services of personnel (CPC872)
Specific commitments	No application for qualifications of foreign invested job intermediaries or job referral agencies is required when the wholly-owned, equity or contractual joint-venture international ship management companies established by Macao service suppliers in the Mainland apply for the Operational Qualification for Foreign Labor Service Cooperation by Means of Assigning Sailors to Foreign Countries. ^①

^① International ship management companies set up in the Mainland by Macao service suppliers can only deploy sailors to vessels owned by Macao shipowners or registered in Macao after the companies have been granted the Operational Qualification for Foreign Labor Service Cooperation by Means of Assigning Sailors to Foreign Countries.

Sectors or sub-sectors	1. Business services
	F. Other business services
	r. Printing and publishing services
Specific commitments	To allow Macao service suppliers to set up wholly-owned, equity joint-venture, and contractual joint-venture typesetting and proofreading production service companies to provide pre-press services, such as proofreading, design, and typesetting, etc., for books.

Sectors or sub-sectors	<p>1. Business services</p> <p>F. Other business services</p> <p>Convention services and exhibition services (CPC87909)</p>
Specific commitments	<p>1. To allow Macao service suppliers to organize exhibitions, in the cross-border mode of supply, in Beijing Municipality, Tianjin Municipality, Chongqing Municipality, Zhejiang Province, Jiangsu Province, and Fujian Province, on a pilot basis.^①</p> <p>2. To entrust the Guangdong Province with the authority of examining and approving Macao service suppliers for organizing foreign economic and technical exhibitions covering an exhibition area of more than 1,000 square metres in Guangdong Province.^②</p> <p>3. To allow Macao service suppliers to set up wholly-owned, equity joint venture or contractual joint venture enterprises in Guangxi, Hunan, Hainan, Fujian, Jiangxi, Yunnan, Guizhou and Sichuan provinces and autonomous regions to provide services of organizing overseas exhibitions on a pilot basis^③. Participating exhibitors should be enterprises registered in those provinces or autonomous regions correspondingly.</p>

^① Should be submitted to the Ministry of Commerce for approval in accordance with relevant laws and regulations in the Mainland.

^② Exhibitions with titles starting with “China” should be examined and approved by competent commerce departments in Guangdong province after reporting to and authorized by the Ministry of Commerce.

^③ Should be submitted to the China Council for the Promotion of International Trade for approval in accordance with the relevant laws and regulations in the Mainland.

Sectors or sub-sectors	1. Business services
	F. Other business services
	Public utility services
Specific commitments	To remove the restriction on the shareholding ratio of Macao service suppliers engaging in the construction and operation of urban gas networks in the cities with population less than one million in Guangdong Province.

Sectors or sub-sectors	2. Communications services
	C. Telecommunications services
	Distribution of phone cards
Specific commitments	To allow Macao service suppliers to distribute, in Guangdong Province, fixed/mobile phone cards (excluding satellite mobile phone cards) that can be used only in Macau. ^①

^① Should be conformed to the regulations set forth in the “Memorandum About the Distribution of Macao Phone Cards in Guangdong Province” signed by the competent telecommunications authorities of the Mainland and Macao.

Sectors or sub-sectors	2. Communications services
	D. Audiovisual services
	<p>Videos distribution services (CPC83202), sound recording products distribution services</p> <p>Cinema theatre services</p> <p>Chinese language motion pictures and motion pictures jointly produced</p> <p>Technical services of cable television</p> <p>Jointly produced television dramas</p> <p>Others</p>
Specific commitments	<p>Videos distribution services, sound recording products distribution services</p> <p>To allow Macao service suppliers to provide, on a wholly-owned basis, videos and sound recording products (including post-motion picture products) distribution services in the Mainland.^①</p>
	<p>Chinese language motion pictures and motion pictures jointly produced</p> <p>To allow the principal production unit of Mainland motion pictures (including motion pictures jointly produced) to apply for and carry out post-production in Macao after authorized by the State Administration of Radio, Film and Television.</p>

^① In undertaking distribution services in the Mainland in respect of videos and sound recording products, Macao service suppliers should comply with the relevant laws, regulations and requirements of the examining and approving system in the Mainland.

Sectors or sub-sectors	3. Construction and related engineering services
	CPC511, 512, 513 ^① , 514, 515, 516, 517, 518 ^②
Specific commitments	<p>1. From the date of signature of this Supplement VI, for the Macao construction enterprises that have obtained the Mainland qualifications, before the new “Construction Enterprise Qualification Standards”^③ are promulgated, the recognition policy of the Ministry of Construction on Macao project managers in the original examination of the Macao construction enterprise qualification shall remain unchanged. Macao project managers employed by Macao-invested construction enterprises are still recognized under the original construction enterprise qualification administration.</p> <p>2. After the new “Construction Enterprise Qualification Standards” are promulgated, the originally recognized Macao project managers are allowed to continue to be the project managers for the construction projects that were contracted or have begun before the Standards are announced until those projects are completed.</p>

^① Including dredging services relating to infrastructure construction.

^② Coverage is limited only to the rental and leasing services of construction and/or demolition machines (with operators) which are owned and used by foreign construction enterprises in the course of providing services.

^③ The Standards are being enacted.

Sectors or sub-sectors	<p>4. Distribution services</p> <p>A. Commission agents' services (excluding salt and tobacco)</p> <p>B. Wholesale trade services (excluding salt and tobacco)</p> <p>C. Retailing services (excluding tobacco)</p> <p>D. Franchising</p>
Specific commitments	<p>The minimum registered capital requirement for publication distribution enterprises set up by Macao service suppliers in the Mainland will be the same as that for Mainland enterprises.</p>

Sectors or sub-sectors	7. Financial services
	<p data-bbox="600 349 1444 427">B. Banking and other financial services (excluding insurance and securities)</p> <ul style="list-style-type: none"> <li data-bbox="620 495 1444 573">a. Acceptance of deposits and other repayable funds from the public <li data-bbox="620 607 1444 685">b. Lending of all types, including consumer credit, mortgage credit, factoring and financing of commercial transactions <li data-bbox="620 719 895 752">c. Financial leasing <li data-bbox="620 786 1444 909">d. All payment and money transmission services, including credit, charge and debit cards, travellers cheques and bankers drafts (including import and export settlement) <li data-bbox="620 943 1043 976">e. Guarantees and commitments <li data-bbox="620 1010 1444 1088">f. Trading in foreign exchange for own account or for account of customers
Specific commitments	<ol style="list-style-type: none"> <li data-bbox="544 1122 1444 1335">1. The foreign bank branches established by Macao banks in Guangdong Province can apply for establishing sub-branches on different locations (other than the city where the branch is located) in accordance with requirements stipulated in relevant Mainland regulations on setting up sub-branches. <li data-bbox="544 1379 1444 1648">2. If the wholly-owned foreign invested bank established in the Mainland by a Macao bank has set up a branch in Guangdong Province, the branch can apply for establishing sub-branches on different locations (other than the city where the branch is located) in accordance with requirements stipulated in relevant Mainland regulations on setting up sub-branches.

Sectors or sub-sectors	7. Financial services
	B. Banking and other financial services
	Securities Futures
Specific commitments	<p>To allow Macao securities companies that meet the qualification requirements on offshore shareholders of foreign-invested securities companies to set up joint-venture securities investment consulting companies in Guangdong Province with Mainland securities companies that fulfill the criteria of establishing subsidiaries. As subsidiaries of the Mainland securities companies, the joint-venture securities investment consulting companies specialize in securities investment consulting services. The shareholding ratio of the Macao securities companies is allowed to be, at maximum, one third of the joint ventures.</p>

Sectors or sub-sectors	<p>9. Tourism and travel related services</p> <p>A. Hotels (including apartment buildings) and restaurants (CPC641-643)</p> <p>B. Travel agency and tour operator services (CPC7471)</p> <p>C. Tourist guide services (CPC7472)</p> <p>Others</p>
Specific commitments	<p>1. To allow Macao permanent residents with Chinese citizenship to obtain tour group escort licenses for outbound group tours and to be employed in the Mainland by international travel agencies that have been authorized to operate outbound tour groups and by Macao and Hong Kong travel agencies that are allowed to operate outbound group tours to Hong Kong and Macao.</p> <p>2. Mainland travel agencies organizing outbound group tours to Taiwan can arrange for the Mainland tourists who are holding “Permit for Mainland residents traveling to and from Taiwan” and tourist visas (L visas) to stay in Macao for transit purpose so as to facilitate the Mainland and Macao tourism businesses to develop “one route, multi- stops” tourism products.</p>

Sectors or sub-sectors	10. Recreational, cultural and sporting services
	A. Recreational services (excluding audiovisual services)
Specific commitments	The time limit for examining and approving the content of imported online game products developed by Macao (including expert examination and approval) is 2 months, provided that a complete set of the application materials is received.

Sectors or sub-sectors	11. Transport services
	A. Maritime transport services H. Auxiliary services
	International transport (freight and passengers) (CPC7211, 7212, less cabotage transport services) Container station and depot services Others
Specific commitments	To allow Macao service suppliers to set up wholly-owned shipping companies in the Mainland to provide regular business services, such as shipping undertaking, issuance of bills of lading, settlement of freight rates, signing of service contracts, etc., for the Mainland vessels leased by the Macao service suppliers to provide shipping transport between Macao and second class ports in Guangdong Province.

Sectors or sub-sectors	11. Transport services
	C. Air transport services
	<p>Airport operation services (excluding cargo handling) (CPC74610)</p> <p>Other supporting services for air transport (CPC74690)</p> <p>Computer Reservation System (CRS) services</p> <p>Sales and marketing services for air transport</p>
Specific commitments	<p>To allow Macao service suppliers, when applying for setting up wholly-owned, equity joint venture or contractual joint venture air transport sales agencies in the Mainland, to submit the economic guarantee provided by the Mainland incorporated banks or guarantee companies recommended by the China Air Transport Association , or to be guaranteed by Macao banks^①, on the condition that such guarantee will be replaced 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 Macao service suppliers’ applications have been approved by the Mainland.</p>

^① Should be in compliance with the “Regulations on the Economic Guarantee for Setting Up Air Transport Sales Agencies” signed by the competent authorities of the Mainland and Macao.

Sectors or sub-sectors	Service sectors (sectors not set out in GNS/W/120)
	Individually owned stores
Specific commitments	<p>1. To allow Macao permanent residents with Chinese citizenship to set up, in accordance with the relevant Mainland laws, regulations and administrative regulations, individually owned stores in all provinces, autonomous regions, municipalities directly under the Central Government in the Mainland, without being subject to the approval procedures applicable to foreign investments. The number of employees for each store shall not exceed 8 persons. The scope of business for individually owned stores, excluding franchising, includes: individually owned clinic, economic and trade consulting, and business administration consulting services, wholesaling (for textiles, apparel, daily supplies, stationery, sports goods, and other cultural products only).</p>