

China-Macao Closer Economic Partnership Arrangement Supplement IX

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Supplement IX to the Mainland and Macao Closer Economic Partnership Arrangement

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

- 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,
- the Supplement V to “CEPA” signed on 30 July 2008,
- the Supplement VI to “CEPA” signed on 11 May 2009,
- the Supplement VII to “CEPA” signed on 28 May 2010, and
- the Supplement VIII to “CEPA” signed on 14 December 2011.

the two sides agreed to sign this Supplement IX on further liberalization of trade in services in the Mainland for Macao, and strengthening cooperation in the area of finance.

I. Trade in Services

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

1. From 1 January 2013, the Mainland shall further relax the market access conditions in 20 areas, namely, legal, accounting, construction, medical services, computer and related services, technical testing and analysis services, placement and supply services of personnel, printing, convention and exhibition, other business services, telecommunications, audiovisual, distribution, environment, banking, securities, social services, tourism, cultural and individually owned stores etc., on the basis of the commitments on liberalization of trade in services under “CEPA”, “Supplement to the CEPA”, “Supplement II to the CEPA”, “Supplement III to the CEPA”, “Supplement IV to the CEPA”, “Supplement V to the CEPA”, “Supplement VI to the CEPA”, “Supplement VII to the CEPA” and “Supplement VIII to the CEPA”, and to introduce liberalization measures in two new sectors, namely, education and railway transport services. The specific contents are detailed in the Annex of this Supplement IX.

2. The Annex of this Supplement IX is a supplement and amendment to Table 1 of Annex 4 of “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”, 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”, Annex “Supplements and Amendments VI to the Mainland’s Specific Commitments on Liberalization of Trade in Services for Macao” of the Supplement VI to “CEPA”, Annex “Supplements and Amendments VII to the Mainland’s Specific Commitments on Liberalization of Trade in Services for Macao” of the Supplement VII to “CEPA”, and Annex “Supplements and Amendments VIII to the Mainland’s Specific Commitments on Liberalization of Trade in Services for Macao” of the Supplement VIII to “CEPA”. In the event of conflict with the provisions of the above nine instruments, the provisions of the Annex of this Supplement IX shall prevail.

3. “Service supplier” as referred to in the Annex of this Supplement IX shall meet

the relevant requirements of Annex 5 “Definition of “Service Supplier” and Related Requirements” of “CEPA”.

II. Financial Cooperation

1. To actively explore the lowering of the eligibility requirements for Macao financial institutions to apply for Qualified Foreign Institutional Investor (QFII) status, in order to facilitate Macao's long-term capital investing in the Mainland's capital markets.
2. To support qualified Macao financial institutions in setting up joint venture securities companies, fund management companies and futures companies in the Mainland.

III. Annex

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

VII. Coming Into Effect

This Supplement IX shall 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, 2012 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 IX 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
	a. Legal services (CPC861)
Specific commitments	Macao law firms (offices) that have set up representatives offices in the Mainland are allowed to operate in association with one to three Mainland law firms.

^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.

Sectors or sub-sectors	1. Business services
	A. Professional services
	b. Accounting, auditing and bookkeeping services (CPC862)
Specific commitments	To suitably simplify the documentation requirements for applications for conducting business on a temporary basis in the Mainland by Macao accounting firms.

Sectors or sub-sectors	1. Business services
	A. Professional services
	<ul style="list-style-type: none"> d. Architectural services (CPC8671) e. Engineering services (CPC8672) f. Integrated engineering services (CPC8673) g. Urban planning and landscape architectural services (except general urban planning) (CPC8674)
Specific commitments	<p>1. Macao professionals, who have obtained Mainland’s supervision engineer qualification, are allowed to register and practise in Guangdong Province regardless of whether they are registered practitioners in Macao. They are recognized as registered practitioners for the purpose of declaration of supervision enterprise qualifications within Guangdong Province, in accordance with the relevant Mainland regulations.</p> <p>2. Macao professionals, who have obtained through examination Mainland’s registered architect qualification, are allowed to register and practise in Guangdong Province regardless of whether they are registered practitioners in Macao. They are recognized as registered practitioners for the purpose of declaration of engineering design enterprise qualifications within Guangdong Province, in accordance with the relevant Mainland regulations.</p> <p>3. Macao professionals, who have obtained through examination Mainland’s registered structural engineer, registered civil engineer (harbour and waterway), registered public facility engineer, registered chemical engineer or registered electrical engineer qualification, are allowed to register and practise in Guangdong Province regardless of whether they are registered practitioners in Macao. They are recognized as registered practitioners for the purpose of declaration of engineering design enterprise qualifications within Guangdong Province, in accordance with the relevant Mainland regulations.</p>

Sectors or sub-sectors	1. Business services
	A. Professional services
	h. Medical and dental services (CPC9312)
	j. Services provided by midwives, nurses, physiotherapists and para-medical personnel (CPC93191)
	Pharmaceutical services
	8. Health related and social services
A. Hospital services	
B. Other human health services	
Hospital services (CPC9311)	
Convalescent hospital services	

Specific commitments	<p>1. Macao service suppliers are allowed to set up in the Mainland, wholly-owned medical institutions^① or medical institutions in the form of equity joint venture or contractual joint venture with Mainland medical institutions, companies, enterprises and other economic organizations.</p> <p>2. Medical institutions in the form of equity joint venture or contractual joint venture, or wholly-owned medical institutions other than wholly-owned hospitals and wholly-owned convalescent hospitals, set up in the Mainland by Macao service suppliers, shall be subject to the standards and requirements applicable to medical institutions established by Mainland entities and individuals.</p> <p>3. Medical institutions in the form of equity joint venture, contractual joint venture, or wholly-owned medical institutions other than wholly-owned hospitals and wholly-owned convalescent hospitals, set up in the Mainland by Macao service suppliers, shall be approved by the health administrative department at the provincial level.</p> <p>4. The health administrative department at the provincial level of Guangdong Province shall be responsible for the project establishment and approval procedures for the setting up of wholly-owned hospitals by Macao service suppliers in Guangdong Province.</p>
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^① According to the “Rules of Implementation for the Regulations on the Administration of Medical Institutions” (Order No. 35 of the Ministry of Health, People’s Republic of China), medical institutions are classified into the following: (1) integrated hospitals, Chinese medicine hospitals, integrated Chinese and Western medicine hospitals, nationality medicine hospitals, specialist hospitals, rehabilitation hospitals; (2) maternal and child healthcare centres; (3) community health service centres, community health service stations; (4) central health centres, township health centres, street health centres; (5) convalescent hospitals; (6) integrated outpatient clinics, specialist outpatient clinics, Chinese medicine outpatient clinics, integrated Chinese and Western medicine outpatient clinics, nationality medicine outpatient clinics; (7) clinics, Chinese medicine clinics, nationality medicine clinics, health centres, infirmaries, health care centres, health stations; (8) village health stations (centres); (9) first aid centres, first aid stations; (10) clinical test centres; (11) specialist disease prevention and treatment hospitals, specialist disease prevention and treatment institutes, specialist disease prevention and treatment stations; (12) nursing homes, nursing stations; (13) other medical institutions.

Sectors or sub-sectors	1. Business services
	B. Computer and related services
	d. Database services (CPC844)
Specific commitments	<p>1. To allow Macao service suppliers to provide cross-boundary database services in Qianhai and Hengqin on a pilot basis.</p> <p>2. To allow Macao service suppliers to set up joint venture enterprises in the Mainland to provide database services^①. The proportion of Macao service suppliers' shareholding should not exceed 50%.</p>

^① Confined to internet data centre services, store and forward services, and content services only.

Sectors or sub-sectors	1. Business services
	F. Other business services
	e. Technical testing and analysis services (CPC8676) Product testing services (CPC7490)
Specific commitments	To expand, on a pilot basis in Guangdong Province, the scope of certification services that can be undertaken by Macao testing organizations to cover food.

Sectors or sub-sectors	1. Business services
	F. Other business services
	k. Placement and supply services of personnel (CPC872)
Specific commitments	<p>The minimum registered capital required for Macao service suppliers to set up wholly-owned job referral agencies and job intermediaries in Beijing Municipality, Tianjin Municipality, Shanghai Municipality, Chongqing Municipality, Jiangsu Province and Fujian Province follows the requirements applicable to Mainland enterprises in those provinces and municipalities.</p>

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 equity joint venture enterprises in Qianhai and Hengqin on a pilot basis to engage in the printing of publications and other printed matters. The proportion of Macao service suppliers' shareholding should not exceed 70%.

Sectors or sub-sectors	1. Business services
	F. Other business services
	Convention services and exhibition services (CPC 87909)
Specific commitments	To allow contractual joint venture enterprises set up by Macao service suppliers in the Mainland to conduct overseas exhibition businesses on a pilot basis ^① . Participating enterprises should be enterprises registered in that province, autonomous region or municipality.

^① Subject to approval (with the endorsement of the Ministry of Commerce) of the China Council for the Promotion of International Trade in accordance with the relevant existing laws and regulations in the Mainland.

Sectors or sub-sectors	1. Business services
	F. Other business services
	t. Other (CPC8790)
Specific commitments	To allow Macao service suppliers to set up commercial factoring enterprises in Shenzhen and Guangzhou Cities in Guangdong Province on a pilot basis.

Sectors or sub-sectors	2. Communications services
	C. Telecommunications services Valued-added services
Specific commitments	To allow Macao service suppliers to set up wholly-owned enterprises or equity joint ventures in Dongguan and Zhuhai Cities of Guangdong Province on a pilot basis to provide offshore call centre services ^① . There is no restriction on the proportion of Macao capital in the shareholding.

^① To be implemented in accordance with the Mainland's "Notice on Encouragement of Acceleration of Development of the Service Outsourcing Industry and Streamlining Approval Procedures for Provision of Pilot Offshore Call Centre Services by Foreign Capital".

Sectors or sub-sectors	2. Communications services
	D. Audiovisual services Technical services of cable television
Specific commitments	To allow Macao companies engaging in the operation of cable television networks to provide professional technical services for cable television networks in the Mainland after obtaining the approval of the relevant Mainland authorities.

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>For the same Macao service supplier which opens more than 50 stores accumulatively in Guangdong Province, if the commodities for sale include mulching films, chemical fertilizers, vegetable oil and edible sugar, and the above commodities are of different brands and come from different suppliers, the Macao service supplier is allowed to operate on a wholly-owned basis.</p>

Sectors or sub-sectors	<p>5. Education services</p> <p>A. Primary education services (CPC921)</p> <p>B. Secondary education services (CPC922)</p> <p>D. Adult education services (CPC924)</p> <p>E. Other education services (CPC929)</p>
Specific commitments	<ol style="list-style-type: none"> 1. To allow Macao service suppliers to set up international schools on a wholly-owned basis in Qianhai and Hengqin. Their target students may be expanded to cover children of Chinese nationals residing abroad and of returned talents after studying abroad who are working in Qianhai and Hengqin. 2. To allow Macao service suppliers to set up business-based training bodies in the Mainland on a wholly-owned, equity joint venture or contractual joint venture basis.

Sectors or sub-sectors	<p>6. Environmental services (excluding environmental quality monitoring and pollution source investigation)</p> <p>A. Sewage services (CPC 9401)</p> <p>B. Refuse disposal services (CPC 9402)</p> <p>C. Cleaning services of exhaust gases (CPC 9404)</p> <p>D. Noise abatement services (CPC 9405)</p> <p>E. Nature and landscape protection services (CPC 9406)</p> <p>F. Other environmental protection services (CPC 9409)</p> <p>G. Sanitation services (CPC 9403)</p>
Specific commitments	<p>To agree Guangdong Province to approve Macao service suppliers for undertaking entrusted environmental monitoring activities in Guangdong.</p>

Sectors or sub-sectors	7. Financial services
	<p data-bbox="608 315 1114 412">B. Banking and other financial services (excluding insurance and securities)</p> <ul style="list-style-type: none"> <li data-bbox="639 443 1437 524">a. Acceptance of deposits and other repayable funds from the public <li data-bbox="639 555 1437 636">b. Lending of all types, including consumer credit, mortgage credit, factoring and financing of commercial transactions <li data-bbox="639 667 895 703">c. Financial leasing <li data-bbox="639 734 1437 860">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="639 891 1054 927">e. Guarantees and commitments <li data-bbox="639 958 1437 1039">f. Trading for own account or for account of customers: foreign exchange
Specific commitments	<ul style="list-style-type: none"> <li data-bbox="555 1084 1437 1209">1. To allow eligible Macao banks to offer custodian services regarding settlement funds of customers of securities companies and margin deposits on futures transactions. <li data-bbox="555 1240 1437 1415">2. To allow Macao financial institutions to set up consumer finance companies in Guangdong Province on a pilot basis in accordance with the “Administrative Measures on the Pilot Program of Consumer Finance Companies”. <li data-bbox="555 1447 1437 1615">3. To allow Macao banks to set up branches or body corporate in Hengqin for serving the economic development of Hengqin new area, and total asset requirement at the end of the year preceding application is not less than USD 4 billion.

Sectors or sub-sectors	7. Financial services
	B. Banking and other financial services
	Securities Futures
Specific commitments	<p>To allow Macao securities companies which satisfy the qualification requirements as foreign shareholders of foreign-invested securities companies, and Mainland securities companies which satisfy the requirements for establishing subsidiaries, to set up equity joint venture securities investment advisory companies in the Mainland. The equity 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 could, at a maximum, reach 49% of the total shareholding of such joint venture securities investment advisory company.</p>

Sectors or sub-sectors	8. Health related services and social services
	C. Social services
	<p>Welfare services delivered through residential institutions to old persons and the handicapped (CPC93311)</p> <p>Day-care services for the handicapped (CPC93321)</p> <p>Welfare services not delivered through residential institutions (CPC93323)</p> <p>Rehabilitation services for handicapped</p>
Specific commitments	<ol style="list-style-type: none"> 1. To allow Macao service suppliers to operate elderly service agencies in the form of wholly-owned profit-making enterprises. 2. To allow Macao service suppliers to operate welfare services agencies for persons with disabilities in the form of wholly-owned profit-making enterprises.

Sectors or sub-sectors	<p>9. Tourism and travel related services</p> <p>A. Hotel (including apartment buildings) and restaurants (CPC 641-643)</p> <p>B. Travel agency and tour operator services (CPC 7471)</p> <p>C. Tourist guides services (CPC 7472)</p> <p>Others</p>
Specific commitments	<p>1. To allow Macao travel agents established on a wholly-owned or joint venture basis in the Mainland to apply for the operation of group tours to Hong Kong and Macao for residents registered with permanent residence of the original provinces, autonomous regions or municipalities.</p> <p>2. To allow one qualified Mainland-Macao joint venture travel agent to operate outbound group tours for Mainland residents on a pilot basis to destinations beyond Hong Kong and Macao (excluding Taiwan).</p>

Sectors or sub-sectors	10. Recreational, cultural and sporting services A. Cultural services (excluding audiovisual services)
Specific commitments	<ol style="list-style-type: none"> 1. To allow Macao service suppliers to set up wholly-owned Internet online service business premises in the Mainland. 2. To allow Macao service suppliers to set up wholly-owned entertainment premises on a pilot basis in Qianhai and Hengqin. 3. To allow Macao service suppliers to set up performing arts groups in the Mainland on an equity joint venture basis, with the Mainland party holding majority shareholding.

Sectors or sub-sectors	11. Transport services
	E. Railway transport services
	Interurban passenger transportation (CPC 71111) Urban and suburban passenger transportation (CPC 71112)
Specific commitments	To allow Macao service suppliers to, holding a controlling interest, invest, construct and operate interurban railway transport projects in Guangdong Province.

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 and municipalities in the Mainland without being subject to the approval procedures applicable to foreign investments, to provide the following services (excluding franchising operation):</p> <p>(1) Trade brokerage and commission agency (excluding auction) under the Wholesale Services, which are under the Wholesale and Retailing Services.</p> <p>(2) Initial processing services of agricultural products (excluding processing of vegetable fats and oils, rice and flour, purchase of staple food and processing of seed cotton) under the Agricultural Services of the Agriculture, Forestry, Animal Husbandry and Fishery Services, which are under the Agriculture, Forestry, Animal Husbandry and Fishery Industry.</p> <p>(3) Two items of the Other Unlisted Commercial Services under the Commercial Services, which are under the Leasing and Commercial Service Industry:</p> <p>corporate ceremonial services: ceremonial services for opening ceremonies, celebrations and other major events;</p> <p>personal commercial services: personal image design services, organization services of personal activities, and other personal commercial services.</p> <p>2. To allow Macao permanent residents with Chinese citizenship to set up individually owned stores, lifting restrictions on the number of persons engaged in the operation and the business area of individually owned stores.</p>