

**GENERAL AGREEMENT
ON TRADE IN SERVICES**

GATS/SC/19
15 April 1994
(94-1017)

CHINA

Schedule of Specific Commitments

(This is authentic in English only)

CHINA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of supply:		1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access	Limitations on national treatment			Additional commitments
I. HORIZONTAL COMMITMENTS					
ALL SECTORS INCLUDED IN THIS SCHEDULE	<p>3) The proportion of the foreign joint venture's investment in an equity joint venture shall be, in general, no less than 25 per cent of the registered capital of the equity joint venture</p> <p>The establishment of foreign-capital enterprises shall be restricted in the following sectors and subsectors, and application for the establishment of a foreign-capital enterprise in these sectors shall be submitted to the Ministry of Foreign Trade and Economic Cooperation (MOFTEC) for approval:</p> <ul style="list-style-type: none"> a) public utilities, b) communications and transportation, c) real estate, d) trust investment, and e) leasing. <p>No establishment of foreign-capital enterprises shall be permitted in the following sectors and subsectors:</p>				

CHINA (continued)

Modes of supply:	1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments	
	<p>a) the press, publication, broadcasting, television and movies;</p> <p>b) post and telecommunications; and</p> <p>c) other sectors in which the establishment of foreign-capital enterprises is forbidden, as prescribed by the Chinese Government.</p> <p>The land in the People's Republic of China is state-owned. Use of land by enterprises and individuals is subject to the following maximum term limitations:</p> <p>a) 70 years for residential purposes;</p> <p>b) 50 years for industrial purposes;</p> <p>c) 50 years for the purpose of education, science, culture, public health and physical education;</p> <p>d) 40 years for commercial, tourist and recreational purposes;</p> <p>e) 50 years for comprehensive utilization or other purposes.</p> <p>4) Unbound except for measures concerning the entry and temporary stay of a natural person who fall into one of the following categories:</p>	<p>4) Unbound except for the categories of natural persons referred to under market access</p>		

CHINA (continued)

Modes of supply:	1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments	
	<p>a) Managers, executives and specialists defined as senior employees of a corporation of a Member to the GATS that has established a branch or subsidiary in the territory of the People's Republic of China, temporarily moving as intracorporate transferees, shall be permitted entry for an initial period of one year's stay without requiring compliance with labour market test. Upon the expiry, the temporary stay may, if necessary, be extended to a total period not exceeding five years.</p> <p>b) Managers, executives and specialists of nationalities of other Members of the GATS, being engaged in the Chinese-foreign equity joint ventures and foreign-capital enterprises in the territory of the People's Republic of China, for conducting business within the scope as stipulated in the contracts concerned, shall be granted entry and a one to five years long-term stay permit.</p>			

CHINA (continued)

Modes of supply:	1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments	Additional commitments
	<p>c) Service salespersons - persons not based in the territory of the People's Republic of China and receiving no remuneration from a source located within China, and who are engaged in activities related to representing a service provider for the purpose of negotiating for the sale of the services of that provider where: a) such sales are not directly made to the general public; and b) the salesperson is not engaged in supplying the service. Entry for salespersons is limited to a ninety-day period.</p> <p>All other requirements of Chinese laws and regulations regarding entry and temporary stay of aliens shall continue to apply</p>			

CHINA (continued)

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons			
Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments
II. SECTOR-SPECIFIC COMMITMENTS			
1. BUSINESS SERVICES			
A. <u>Professional Services</u>			
b) Accounting, auditing and bookkeeping services (CPC 862)	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) Foreign accounting firms which meet the following conditions are permitted to establish branch offices or contractual joint venture accounting firms in the economically developed areas¹ of China:</p> <p>a) with professional personnel no less than 200; and</p> <p>b) with annual business income not less than US\$ 20 million.</p> <p>The total number of this kind of foreign accounting firms providing services in China shall not exceed 15</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) Foreign accountants' auditing reports shall be valid for the competent authorities of China providing that they obtain the titles of Chinese CPA</p> <p>The foreign professional staff members employed by a branch office or a contractual joint venture accounting firm must hold the CPA or equivalent titles of their home countries</p>	

1 Economically developed areas refers to the Special Economic Zones: Shenzhen, Xiamen, Zhuhai, Shantou, Hainan; and the following cities: Shenyang, Dalian, Dandong, Yingkou, Jinzhou, Anshan, Liaoyang, Panjin, Qinhuangdao, Tangshan, Cangzhou, Jinan, Qingdao, Yantai, Weihai, Weifang, Zibo, Nangrong, Nanjing, Suzhou, Wuxi, Changzhou, Zhenjiang, Yangzhou, Lianyungang, Yancheng, Shanghai, Tianjin, Hangzhou, Ningbo, Wenzhou, Huzhou, Shaoxing, Jiaxing, Zhoushan, Fuzhou, Zhangzhou, Quanzhou, Putian, Beihai, Wuzhou, Guangzhou, Foshan, Jiangmen, Zhanjiang, Zhaoqing, Huizhou, Maoming, Shanwei, Yangjiang, Zhongshan, Dongguan, Qingyuan.

CHINA (continued)

Modes of supply:		1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments		
c) Taxation services (CPC 8630)	<p>4) Unbound excepted as indicated in Horizontal Commitments</p> <p>1) None</p> <p>2) Unbound</p> <p>3) Foreign accounting firms which meet the following conditions may be permitted to establish branch offices in the economically developed areas of China:</p> <p>a) with professional personnel no less than 200; and</p> <p>b) with annual business income not less than US\$ 20 million</p>	<p>4) Unbound except as indicated in Horizontal Commitments</p> <p>1) None</p> <p>2) Unbound</p> <p>3) The qualifications of foreign professionals employed by a representative office shall be examined and recognized by the Ministry of Finance of China</p>			
d) Architectural services (CPC 8671)	<p>4) Unbound except as indicated in Horizontal Commitments</p> <p>1) Unbound</p> <p>2) None</p> <p>3) In the form of equity joint venture or contractual joint venture. The foreign venturers shall have to be competitive and registered institutions in their own countries.</p>	<p>4) Unbound except as indicated in Horizontal Commitments</p> <p>1) Unbound</p> <p>2) None</p> <p>3) Registered architect in his own country</p>			

CHINA (continued)

Modes of supply:		1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments		
e) Engineering services (CPC 8672)	<p>4) Unbound except as indicated in Horizontal Commitments</p> <p>1) Unbound</p> <p>2) None</p> <p>3) In the form of equity joint venture or contractual joint venture. The foreign venturers shall have to be competitive and registered institutions in their own countries.</p>	<p>4) Unbound except as indicated in Horizontal Commitments</p> <p>1) Unbound</p> <p>2) None</p> <p>3) Registered engineer in his own country</p>			
g) Urban planning (excluding general urban planning) (CPC 8674)	<p>4) Unbound except as indicated in Horizontal Commitments</p> <p>1) Unbound</p> <p>2) None</p> <p>3) Unbound</p>	<p>4) Unbound except as indicated in Horizontal Commitments</p> <p>1) Unbound</p> <p>2) None</p> <p>3) Unbound</p>			
h) Medical and dental services (CPC 9312)	<p>4) Unbound except as indicated in Horizontal Commitments</p> <p>1) Unbound</p> <p>2) Unbound</p>	<p>4) Unbound except as indicated in Horizontal Commitments</p> <p>1) Unbound</p> <p>2) Unbound</p>			

CHINA (continued)

Modes of supply:	1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments	
	<p>3) Foreign solely-owned hospital or clinics (i.e. foreign-capital enterprises) are not permitted, but foreigners are permitted to establish equity joint venture or contractual joint venture hospitals or clinics with Chinese partners with a quantitative limitation in line with China's needs. Such establishments must be approved by the Ministry of Public Health and the MOFTEC</p> <p>4) Foreign doctors with professional certificates issued by home state shall be permitted to provide short-term medical services in China. The licence shall be obtained from the health authorities at provincial level. The term of service is six months and may be extended to one year. For medical services, foreign doctors shall submit the following documents to the competent authorities: a) an application; b) notarized educational résumé, professional certificate and more than five years of medical experience as a doctor; c) contracts with Chinese medical institutions.</p>	<p>3) The trial equity or contractual joint venture hospitals and clinics shall assume sole responsibility for foreign exchange balance of payments and for its profits or losses. The majority of the doctors and medical personnel of the joint venture hospitals and clinics shall be of Chinese nationality.</p> <p>4) Unbound except as indicated in Horizontal Commitments</p>		

CHINA (continued)

Modes of supply:		1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons	
Sector or subsector		Limitations on market access			Limitations on national treatment	Additional commitments
B.	<u>Computer and Related Services</u>					
a)	Consultancy services related to the installation of computer hardware (CPC 841)	<ol style="list-style-type: none"> 1) Unbound 2) None 3) None 4) Unbound except as indicated in Horizontal Commitments 		<ol style="list-style-type: none"> 1) Unbound 2) None 3) None 4) Qualifications required from the certified engineer are as follows: Bachelor's degree or above and 5 years of experience in these fields 		
b)	Software implementation services (CPC 842)					
-	Systems and software consulting services (CPC 8421)	<ol style="list-style-type: none"> 1) Unbound 2) None 3) None 4) Unbound except as indicated in Horizontal Commitments 		<ol style="list-style-type: none"> 1) Unbound 2) None 3) None 4) Qualifications required from the certified engineer are as follows: Bachelor's degree or above and 5 years of experience in these fields 		
-	Systems analysis services (CPC 8422)					

CHINA (continued)

Modes of supply:		1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons	
Sector or subsector		Limitations on market access			Limitations on national treatment	Additional commitments
-	Systems design services (CPC 8423)	1) Unbound		1) Unbound		
-	Programming services (CPC 8424)	2) None		2) None		
-	Systems maintenance (CPC 8425)	3) In the form of equity joint venture only		3) None		
c)	Data processing services (CPC 843)	4) Unbound except as indicated in Horizontal Commitments		4) Qualifications required from the certified engineer are as follows: Bachelor's degree or above and 5 years of experience in these fields		
-	Input preparation services (CPC 8431)	1) Unbound		1) Unbound		
		2) None		2) None		
		3) In the form of equity joint venture only		3) None		
		4) Unbound except as indicated in Horizontal Commitments		4) Qualifications required from the certified engineer are as follows: Bachelor's degree or above and 3 years of experience in these fields. Data entry operator shall be of Chinese nationality.		

CHINA (continued)

Modes of supply:		1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access				Additional commitments
- Data processing and tabulation services (CPC 8432)	1) Unbound	1) Unbound	1) Unbound	1) Unbound	
- Time-sharing services (CPC 8433)	2) None	2) None	2) None	2) None	
	3) None	3) None	3) None	3) None	
e) Maintenance and repair services of office machinery and equipment including computers (CPC 845)	4) Unbound except as indicated in Horizontal Commitments	4) Unbound except as indicated in Horizontal Commitments	4) Unbound except as indicated in Horizontal Commitments	4) Qualifications required from the certified engineer are as follows: Bachelor's degree or above and 5 years of experience in these fields	
	1) Unbound*	1) Unbound*	1) Unbound*	1) Unbound*	
	2) None	2) None	2) None	2) None	
	3) In the form of equity joint venture only	3) In the form of equity joint venture only	3) In the form of equity joint venture only	3) None	
	4) Unbound except as indicated in Horizontal Commitments	4) Unbound except as indicated in Horizontal Commitments	4) Unbound except as indicated in Horizontal Commitments	4) Qualifications required from the certified engineer are as follows: Bachelor's degree or above and 5 years of experience in these fields	

* Unbound due to lack of technical feasibility.

CHINA (continued)

Modes of supply:		1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments		
<p>D. <u>Real Estate Services</u></p> <p>a) Real estate services involving own or leased property (CPC 821)</p>	<p>1) Unbound</p> <p>2) None</p> <p>3) In the form of equity joint venture or contractual joint venture only</p> <p>4) Unbound except as indicated in Horizontal Commitments</p>	<p>1) Unbound</p> <p>2) None</p> <p>3) Unbound</p> <p>4) Unbound except as indicated in Horizontal Commitments</p>			
<p>b) Real estate services on a fee or contract basis (CPC 822)</p>	<p>1) Unbound</p> <p>2) None</p> <p>3) In the form of equity joint venture appraising company</p> <p>4) Unbound except as indicated in Horizontal Commitments</p>	<p>1) Unbound</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound except as indicated in Horizontal Commitments</p>			
<p>F. <u>Other Business Services</u></p> <p>a) Advertising services (CPC 871)</p>	<p>1) Foreign enterprises or businessmen that need release advertisement in China shall entrust their advertisement to the Chinese advertising agents possessing the right to operate foreign advertisement</p>	<p>1) Unbound</p>			

CHINA (continued)

Modes of supply:	1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access		Limitations on national treatment	Additional commitments
	<p>2) Foreign service providers who want to solicit advertisement from China shall conduct advertising business through the Chinese advertising agents possessing the right to operate foreign advertisement</p> <p>3) Foreign service providers may establish advertising companies in China by way of Chinese-foreign equity joint venture or contractual joint venture, subject to the following conditions: a) foreign partner shall have the capacity in providing advanced technology and equipment and managerial experience; b) the foreign partner must be an enterprise in terms of juridical person whose business is mainly involved in advertising services. Foreign-capital advertising enterprises are not permitted.</p> <p>4) Unbound except as indicated in Horizontal Commitments</p>		<p>2) Unbound</p> <p>3) None</p>	
			<p>4) Unbound except as indicated in Horizontal Commitments</p>	

CHINA (continued)

Modes of supply:		1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector		Limitations on market access			Additional commitments
c)	General management consulting services (CPC 86501)	1) None 2) Unbound		1) None 2) Unbound	
	Financial Management Consulting Services (CPC 86502)	3) Foreign accounting firms which meet the following conditions may be permitted to establish branch offices in the economically developed areas ¹ of China and provide management consulting services: a) with professional personnel no less than 200; and b) with annual business income not less than US\$20 million 4) Unbound except as indicated in Horizontal Commitments		3) The qualifications of foreign professionals employed by a representative office shall be examined and recognized by the Ministry of Finance of China 4) Unbound except as indicated in Horizontal Commitments	

1 See footnote on page 5.

CHINA (continued)

Modes of supply:		1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments		
e) Technical testing and analysis services (CPC 8676)	<ol style="list-style-type: none"> 1) Unbound 2) None 3) Foreign service providers are permitted to establish technical testing and analysis institutions or companies with Chinese partners in the form of equity joint ventures subject to approval jointly by the MOFTEC and other competent authorities in accordance with the Chinese-foreign equity joint venture law 4) Unbound except as indicated in Horizontal Commitments 	<ol style="list-style-type: none"> 1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in Horizontal Commitments 			
f) Services incidental to agriculture, forestry, hunting and fishing (CPC 881)	<ol style="list-style-type: none"> 1) None 2) None 3) Foreign service providers are permitted to establish service companies with Chinese partners in the form of equity joint venture subject to approval jointly by the MOFTEC and other competent authorities in accordance with the provisions of the Chinese-foreign equity joint venture law 4) Unbound except as indicated in Horizontal Commitments 	<ol style="list-style-type: none"> 1) None 2) Unbound 3) None 4) Unbound except as indicated in Horizontal Commitments 			

CHINA (continued)

Modes of supply:		1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons	Additional commitments
m) Related scientific technical consulting services (CPC 8675)	<p>1) Unbound</p> <p>2) None</p> <p>3) Foreign service providers are permitted to establish scientific and technical consulting institutions or companies in the form of equity joint venture subject to approval jointly by the MOFTEC and other competent authorities in accordance with the provisions of the Chinese-foreign equity joint venture law</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) None</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) None</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) None</p>	
- Offshore oilfield services Geological, Geophysical and other scientific prospecting services (CPC 86751) Sub-surface surveying services (CPC 86752)	<p>4) Unbound except as indicated in Horizontal Commitments</p> <p>1) None</p> <p>2) None</p> <p>3) Foreign contractors shall be registered at China's National Administration of Industry and Commerce. For registration, the following documents shall be produced:</p>	<p>4) Unbound except as indicated in Horizontal Commitments</p> <p>1) Unbound</p> <p>2) None</p> <p>3) None</p>	<p>4) Unbound except as indicated in Horizontal Commitments</p> <p>1) Unbound</p> <p>2) None</p> <p>3) None</p>	<p>4) Unbound except as indicated in Horizontal Commitments</p> <p>1) Unbound</p> <p>2) None</p> <p>3) None</p>	

CHINA (continued)

Modes of supply: 1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments
	<ol style="list-style-type: none"> 1) the document of approval issued by the State Council or by a department authorized by the State Council; 2) the contract signed by the foreign contractor and China's National corporation; 3) the foreign contractor's certificate for legitimate business operation and capital credit; 4) application signed by the board chairman of the foreign contractor (the content of the application includes business range, name list, posts and biographical notes of main resident personnel in China); 5) the list of foreign undertakers, items and content of contracted projects and the list of main resident personnel in China. <p>After verification and approval of the registration by China's National Administration of Industry and Commerce, a business licence shall be issued to the foreign contractor.</p>		

CHINA (continued)

Modes of supply:		1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments		
- Onshore oilfield services	<p>4) Unbound except as indicated in Horizontal Commitments</p> <p>1) Unbound</p> <p>2) Unbound</p> <p>3) In the designated areas approved by the Chinese Government²</p> <p>In the form of petroleum exploitation in corporation with China National Oil and Gas Exploration & Development Corp. (CNODC)</p>	<p>4) Unbound except as indicated in Horizontal Commitments</p> <p>1) Unbound</p> <p>2) Unbound</p> <p>3) The foreign service provider shall furnish CNODC accurately and promptly with the report on the petroleum operations, and shall submit to CNODC the data and samples as well as various technological, economic, accounting and administrative reports related to petroleum operations.</p>			

2 Among these areas, the oil and/or gas fields being operated by the Chinese corporations shall be excluded. The eleven provinces and autonomous regions are as follows: Jiangsu Province, Zhejiang Province, Jiangxi Province, Hunan Province, Anhui Province, Guangdong Province, Fujian Province, Yunnan Province, Hubei Province, Hainan Province and Guangxi Zhuang Autonomous Region.

CHINA (continued)

Modes of supply: 1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments
<p>4) Unbound except as indicated in Horizontal Commitments</p>	<p>In order to carry out the petroleum contract, the foreign service provider shall establish a branch or subsidiary or representative office within the territory of the People's Republic of China and go through registration formalities in accordance with the laws. The domiciles of the said offices shall be determined through consultation with CNODC.</p> <p>The foreign service provider shall open its bank account with a bank approved by the Chinese government authorities to engage in foreign exchange business within the Chinese territory.</p> <p>To meet the requirements of the Bidding Documents and Model Contract from the Chinese side.</p>	<p>CNODC shall have the ownership of all of the data records, samples, vouchers and other original information acquired during the implementation of the petroleum operations.</p> <p>The foreign service provider shall use appropriate and advanced technology and managerial experience, and shall have the obligation to transfer its technology and pass on its experience to the Chinese personnel.</p> <p>The investment of foreign service provider shall be made in US dollar or other hard currency.</p> <p>With regard to personnel, materials, equipment, facilities and services required in the petroleum operations, priority shall be given to the employment of the Chinese subcontractors, provided that they are competitive in delivery, time, price and quality.</p> <p>4) Unbound except as indicated in Horizontal Commitments</p>	

CHINA (continued)

Modes of supply:		1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments		
n) Maintenance and repair of equipment services (CPC 886)	<ol style="list-style-type: none"> 1) None 2) None 3) Foreign service providers are permitted to establish maintenance companies with Chinese partners in the form of equity joint venture subject to approval jointly by the MOFTEC and other competent authorities in accordance of the provisions of the Chinese-foreign equity joint venture law 4) Unbound except as indicated in Horizontal Commitments 	<ol style="list-style-type: none"> 1) None 2) Unbound 3) None 4) Unbound except as indicated in Horizontal Commitments 			
t) Translation and interpretation services (CPC 87905)	<ol style="list-style-type: none"> 1) Unbound 2) None 3) Unbound 4) Licence shall be obtained from the State Bureau of Foreign Experts of the P.R.C. (SBFE) and other competent authorities concerned 	<ol style="list-style-type: none"> 1) Unbound 2) None 3) Unbound 4) Qualifications are as follows: specified years of experience in translation or interpretation and a good command of the working language(s) 			

CHINA (continued)

Modes of supply:		1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector		Limitations on market access			Additional commitments
3. CONSTRUCTION AND RELATED ENGINEERING SERVICES (CPC 511-518)	1) Unbound	Unbound except as indicated in Horizontal Commitments	Unbound except as indicated in Horizontal Commitments	1) Unbound	
	2) None			2) None	
	3) Unbound			3) Subject to Provisional Measures on the Qualification of Foreign Enterprises in Project Contractation in China	
	4) Unbound except as indicated in Horizontal Commitments			4) Unbound except as indicated in Horizontal Commitments	
5. EDUCATIONAL SERVICES (CPC 921)	1) Unbound	Licence shall be obtained from the SBFE and the State Education Commission of the P.R.C. (SEC)		1) Unbound	
	2) None			2) None	
	3) Unbound			3) Unbound	
	4) Licence shall be obtained from the SBFE and the State Education Commission of the P.R.C. (SEC)			4) Qualifications are as follows: possession of Master's degree or above, and an appropriate professional title (e.g. professor, senior engineer or lecturer or above, etc.)	

CHINA (continued)

Modes of supply:		1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments		
<p>7. FINANCIAL SERVICES</p> <p>A. <u>All Insurance and Insurance-Related Services</u> (CPC 812)</p> <p>a) Life insurance³</p> <p>b) Non-life insurance⁴</p> <p>c) Reinsurance⁵</p> <p>d) Services auxiliary to insurance⁶</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) A. Two types of foreign insurance institutions are permitted in the city of Shanghai, China: the branch of a foreign insurance company and the Chinese-foreign joint insurance company</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) A. Requirements of registered capital and guarantee funds:</p> <p>- a branch of a foreign insurance company underwriting either life insurance or non-life insurance shall pay in as its guarantee funds US\$ 4 million or equivalent in other convertible currencies to the branch of the People's Bank of China in Shanghai;</p>			

3 The life insurance service refers to the service provided to foreign and Chinese citizens who bear payment of premiums by themselves.

4 The non-life insurance service refers to any type of non-life insurance of foreign enterprises abroad, and property insurance, liability insurance of foreign-capital enterprises in China.

5 The reinsurance service refers to that service related to life insurance and non-life insurance.

6 The insurance brokerage and agency are not included.

CHINA (continued)

Modes of supply:	1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access			Additional commitments
	Limitations on national treatment			
	<ul style="list-style-type: none"> - a branch of a foreign insurance company underwriting both life insurance and non-life insurance shall pay in as its guarantee funds US\$ 8 million or equivalent in other convertible currencies to the Branch of the People's Bank of China in Shanghai; - the registered capital of a Chinese-foreign joint insurance company underwriting either life or non-life insurance shall be US\$20 million or equivalent in other convertible currencies; - the registered capital of a Chinese-foreign joint insurance company underwriting both life insurance and non-life insurance shall be US\$40 million or equivalent in other convertible currencies; - paid-in capital of a Chinese-foreign joint insurance company shall be no less than 50 per cent of its registered capital; 			

Modes of supply:	1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments	
	<p>B. Qualifications for establishing a foreign insurance institution are as follows:</p> <ul style="list-style-type: none"> - the investor shall be a foreign insurance company with more than 30 years of establishment; - it shall have a representative office of over three consecutive years in China; - it shall have total assets of more than US\$ 5 billion at the end of the year prior to application 	<ul style="list-style-type: none"> - a Chinese-foreign joint insurance company must draw 25 per cent of the net profit after tax each year as reserve funds until the total amount of its paid-in capital plus reserve funds is twice as its registered capital; - a Chinese-foreign joint insurance company shall pay in 20 per cent of its paid-in capital as its guarantee funds to the branch of the People's Bank of China in Shanghai. <p>B. Other regulations on insurance business:</p> <ul style="list-style-type: none"> - requirement of reinsurance: a foreign insurance institution shall transact 30 per cent of its total insurance business as reinsurance to the People's Insurance Company of China. The responsibility for each perilous unit in non-life insurance underwritten by a foreign insurance institution shall not exceed 10 per cent of its total net assets, the exceeded portion shall be transacted as reinsurance to other insurance institutions; 		

CHINA (continued)

Modes of supply:	1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access			Additional commitments
	Limitations on national treatment			
	<p>- the branch of a foreign insurance company and the Chinese-foreign joint insurance company to engage in part or all of the following investment operations in China:</p> <ul style="list-style-type: none"> - deposit in Chinese financial institutions; - purchasing bonds issued by the government; - purchasing bonds issued by enterprises (not exceeding 10 per cent of its total investment); - purchasing financial bonds; - trust lending in foreign currencies (it shall have collateral or guarantee by the financial institutions, each unit of its lending shall not exceed 5 per cent of its total investment, the whole sum of its lending shall not exceed 30 per cent of its total investments); - equity investment (not exceeding 15 per cent of its total investment); 			

Modes of supply:	1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access		Limitations on national treatment	Additional commitments
	4) Unbound except as indicated in Horizontal Commitments		<ul style="list-style-type: none"> - other business operations ratified by the People's Bank of China; - senior managerial personnel in a foreign insurance institutions shall not concurrently hold important positions in other economic organizations; - a foreign insurance institution shall appoint a regular accountant and actuary, such appointment is subject to the approval by the branch of the People's Bank of China in Shanghai; - the foreign insurance institution shall not conduct the statutory insurance business 	
	4) Unbound except as indicated in Horizontal Commitments		4) Unbound except as indicated in Horizontal Commitments	

CHINA (continued)

Modes of supply:		1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments		
<p>B. <u>Banking and Other Financial Services</u> (excluding insurance)</p> <p>Banking services</p> <p>- Acceptance of non-resident deposit in foreign currencies⁷ (CPC 81115-81119)</p> <p>- Payment and money transmission service including credit, charge and debit cards, travellers' cheques and banking drafts (CPC 81339)</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) A. Resident representative office:</p> <p>The establishment of Resident Representative Offices in China by foreign financial institutions, including banks, security companies, investment companies, insurance companies, finance companies, credit card companies, and financial leasing companies, shall be approved by the People's Bank of China</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) A. Requirements of registered capital and operating funds:</p> <p>The minimum registered capital of a foreign bank and a Chinese-foreign joint bank shall be US\$ 30 million or equivalent in other freely convertible currencies. The minimum registered capital of a Chinese-foreign jointly owned finance company and totally foreign-owned finance company shall be US\$ 20 million or equivalent in other convertible currencies. Their paid-in capital shall be no less than 50 per cent of their registered capital</p>			

- 7 a) At the present stage, the five types of foreign financial institutions are not allowed to take deposit from citizens residing in China; but they only take deposits from "foreign-capital enterprises, equity joint ventures and contractual joint ventures" and they can also take deposits of loans proceeds from Chinese enterprises from which they have granted the loans.
- b) Each deposit which a Chinese-foreign joint finance company can take shall be no less than US\$ 100,000 or its equivalent in other convertible currencies for a period of at least three months.

CHINA (continued)

Modes of supply:		1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments		
- Lending in foreign currencies ⁸ (CPC 8113)	The scope of work of a representative office shall include consultancy, liaison, market survey and other non-profit making activities. A representative office shall be prohibited from undertaking, in the course of its work, any profit-making activities.	A foreign bank branch shall be allocated by its head office a sum of no less than US\$ 10 million or equivalent in other convertible currencies as its operating funds			
- Guarantees (CPC 81199)		Within 30 days from receipt of the approval certificate issued by the People's Bank of China, a financial institution of the five types must raise in full its paid-in capital or operating funds to be verified by a Chinese registered accountant who shall issue a certificate of capital verification			
- Trading for account of customers ⁹ (CPC 81339, 81333)					
- Custodial depository and trust service ¹⁰ (CPC 8119 or 81319)					

8 a) Loans to Chinese citizens are excluded.

b) The five types of foreign financial institutions are free to grant loans to foreign-capital enterprises, equity joint ventures and contractual joint ventures, and their lending to Chinese enterprises are subject to the rules and regulations issued by the State Administration of Exchange Control.

9 Excluding transferable securities and other negotiable instrument and financial assets inclusive of bullion.

10 Custodial depository services are applicable to foreign banks/branches of foreign banks/Chinese-foreign joint banks; trust services are applicable to Chinese-foreign joint finance companies.

CHINA (continued)

Modes of supply:	1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons	
Sector or subsector	Limitations on market access			Additional commitments	
<p>- Advisory and other auxiliary financial services (including credit reference and analysis (CPC 8133, excluding 8131)</p>	<p>B. Five types of foreign financial institutions are permitted to provide services in China. They are: subsidiary of a foreign bank, branch of a foreign bank, Chinese-foreign joint bank, Chinese-foreign joint finance company and totally foreign-owned finance company. Establishment of the five types of foreign financial institutions are limited to the following regions: Shanghai, Shenzhen, Zhuhai, Hainan, Xiamen, Shantou, Guangzhou, Fuzhou, Tianjin, Nanjing, Qingdao, Dalian and Ningpo</p>			<p>Limitations on national treatment</p> <p>A foreign bank, a Chinese-foreign joint bank, a Chinese-foreign joint finance company or a totally foreign-owned finance company must draw 25 per cent of the net profit after tax each year as reserve until the total amount of its paid-in capital plus reserve funds is twice as its registered capital</p> <p>A foreign branch bank must keep 25 per cent of its after-tax profit in China to supplement its operating funds until the kept profit is equal to its operating funds</p> <p>B. Other regulation on banking business:</p> <p>The total amount of loans and other facilities granted by a financial institution of the five types to any enterprise and its related enterprise shall not be more than 30 per cent of its paid-in capital plus total reserves, unless otherwise specially approved by the People's Bank of China.</p>	

Modes of supply:	1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access			Additional commitments
<p>- Provision and transfer of financial information data processing and related software by provider of financial services (CPC 8131)</p>	<p>Limitations on national treatment</p> <p>The total amount of investment by a financial institution of the five types shall not be more than 30 per cent of its paid-in capital plus its total reserves. The preceding sentence does not apply to the investments in financial enterprises approved by the People's Bank of China.</p> <p>The total assets of a financial institution of the five types shall not be more than 20 times of its paid-in capital plus total reserves.</p> <p>A financial institution of the five types shall engage at least one Chinese citizen as its senior managerial personnel. Senior managerial personnel in a financial institution of the five types shall not concurrently hold important positions in other economic organizations.</p> <p>A financial institution of the five types shall appoint a regular registered accountant and such appointment is subject to the approval by the People's Bank of China or its branches.</p> <p>The chief representative of a representative office from foreign financial institutions shall be required to reside in China.</p>			

CHINA (continued)

Modes of supply: 1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments
	<p>C. Qualifications for establishing a foreign bank are as follows:</p> <ul style="list-style-type: none"> - the investor shall be a financial institution; - it shall have a representative office of over three years' standing in China; - it shall have total assets of more than US\$ 20 billion at the end of the year prior to the application <p>D. Qualifications for establishing a branch of a foreign bank are as follows:</p> <ul style="list-style-type: none"> - it shall have had a representative office of over three years' standing in China; - it shall have total assets of more than US\$ 20 billion at the end of the year prior to the application; - its home country or region shall have a sound financial supervisory system 		

CHINA (continued)

Modes of supply:		1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments		
	<p>E. Qualifications for establishing a Chinese-foreign joint bank, a Chinese-foreign joint finance company or a totally foreign-owned finance company are as follows;</p> <ul style="list-style-type: none"> - each investing party shall be a financial institution; - the foreign investor shall have a representative office in China <p>4) Unbound except as indicated in Horizontal Commitments</p>	<p>4) Unbound except as indicated in Horizontal Commitments</p>			

CHINA (continued)

Modes of supply:		1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments		
<p>9. TOURISM AND TRAVEL RELATED SERVICES</p> <p>A. <u>Hotels (including apartment buildings) and restaurants</u> (CPC 6411, 64193, 64201)</p>	<p>1) Unbound</p> <p>2) None</p> <p>3) Foreign service providers may construct, renovate and operate hotel and restaurant establishments in China by way of Chinese-foreign equity joint ventures or contractual joint ventures. Such joint venture hotels are subject to approval by the State Planning Commission, MOFTEC and National Tourism Administration in line with economic needs. Such joint venture restaurants are subject to approval by local competent authorities in line with economic needs.</p> <p>4) Foreign managers, specialists and senior executives who have signed contracts with joint venture hotels and restaurants in China shall be permitted to provide services in China</p>	<p>1) Unbound</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound except as indicated in Horizontal Commitments</p>			

CHINA (continued)

Modes of supply:		1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons	
Sector or subsector		Limitations on market access			Limitations on national treatment	Additional commitments
11.	TRANSPORT SERVICES					
A.	<u>Maritime Transport Services</u>					
-	International transport (freight and passengers) (CPC 7211 and 7212 less cabotage transport)	<p>1) a) Liner shipping (including passenger transportation): none</p> <p>b) Bulk, tramp and other international shipping including passenger transportation: none</p> <p>2) None</p> <p>3) a) Establishment of registered company for the purpose of operating a fleet under the national flag of the State of establishment: unbound</p> <p>b) Other forms of commercial presence for the supply of international maritime transport services: unbound</p> <p>4) a) Ship's crews: unbound except as indicated in Part I Commitments</p> <p>b) Key personnel employed in relation to a commercial presence as defined under mode 3) b) above: unbound except as indicated in Part I Commitments</p>		<p>1) a) None</p> <p>b) None</p> <p>2) None</p> <p>3) a) Unbound</p> <p>b) Unbound</p> <p>4) a) Unbound except as indicated in Horizontal Commitments</p> <p>b) Unbound except as indicated in Horizontal Commitments</p>		

CHINA (continued)

Modes of supply:		1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector		Limitations on market access			Additional commitments
B.	<u>Internal Waterway Transport Services</u>				
b)	Freight transportation (CPC 7222)	<ol style="list-style-type: none"> 1) Only international shipping in ports open to foreign vessels shall be permitted 2) None 3) Unbound 4) Unbound except as indicated in Horizontal Commitments 	<ol style="list-style-type: none"> 1) Only international shipping in ports open to foreign vessels shall be permitted 2) None 3) Unbound 4) Unbound except as indicated in Horizontal Commitments 	<ol style="list-style-type: none"> 1) Limitations as indicated under market access 2) None 3) Unbound 4) Unbound except as indicated in Horizontal Commitments 	
F.	<u>Road Transport Services</u>				
b)	Freight transport (CPC 7123, including 71231 to 71233)	<ol style="list-style-type: none"> 1) Unbound 2) None 3) Foreigners may provide road freight transport services by way of joint ventures subject to an economic needs test 4) Unbound except as indicated in Horizontal Commitments 	<ol style="list-style-type: none"> 1) Unbound 2) None 3) Foreigners may provide road freight transport services by way of joint ventures subject to an economic needs test 4) Unbound except as indicated in Horizontal Commitments 	<ol style="list-style-type: none"> 1) Unbound 2) None 3) Unbound 4) Unbound except as indicated in Horizontal Commitments 	

CHINA (continued)

Modes of supply:		1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons	
Sector or subsector		Limitations on market access			Limitations on national treatment	Additional commitments
H.	<u>Maritime Auxiliary Services</u>					
a)	Maritime cargo-handling services (CPC 741)	<ol style="list-style-type: none"> 1) Unbound* 2) None 3) In the form of joint ventures only 4) Unbound except as indicated in Horizontal Commitments 	<ol style="list-style-type: none"> 1) Unbound* 2) None 3) In the form of joint ventures only 4) Unbound except as indicated in Horizontal Commitments 	<ol style="list-style-type: none"> 1) Unbound* 2) None 3) None 4) Unbound except as indicated in Horizontal Commitments 		
b)	Storage and warehousing services (CPC 742)	<ol style="list-style-type: none"> 1) Unbound* 2) None 3) In the form of joint ventures only 4) Unbound except as indicated in Horizontal Commitments 	<ol style="list-style-type: none"> 1) Unbound* 2) None 3) In the form of joint ventures only 4) Unbound except as indicated in Horizontal Commitments 	<ol style="list-style-type: none"> 1) Unbound* 2) None 3) None 4) Unbound except as indicated in Horizontal Commitments 		
	Customs clearance services	<ol style="list-style-type: none"> 1) Unbound* 2) None 3) In the form of joint ventures only 4) Unbound except as indicated in Horizontal Commitments 	<ol style="list-style-type: none"> 1) Unbound* 2) None 3) In the form of joint ventures only 4) Unbound except as indicated in Horizontal Commitments 	<ol style="list-style-type: none"> 1) Unbound* 2) None 3) None 4) Unbound except as indicated in Horizontal Commitments 		

* Unbound due to lack of technical feasibility.

CHINA (continued)

Modes of supply:	1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access			Additional commitments
Container station and depot services	<ol style="list-style-type: none"> 1) Unbound* 2) None 3) In the form of joint ventures only 4) Unbound except as indicated in Horizontal Commitments 	<ol style="list-style-type: none"> 1) Unbound* 2) None 3) In the form of joint ventures only 4) Unbound except as indicated in Horizontal Commitments 	<ol style="list-style-type: none"> 1) Unbound* 2) None 3) None 4) Unbound except as indicated in Horizontal Commitments 	
Maritime agency services	<ol style="list-style-type: none"> 1) Unbound* 2) None 3) In the form of joint ventures only 4) Unbound except as indicated in Horizontal Commitments 	<ol style="list-style-type: none"> 1) Unbound* 2) None 3) In the form of joint ventures only 4) Unbound except as indicated in Horizontal Commitments 	<ol style="list-style-type: none"> 1) Unbound* 2) None 3) None 4) Unbound except as indicated in Horizontal Commitments 	
Maritime freight forwarding services	<ol style="list-style-type: none"> 1) Unbound* 2) None 3) In the form of joint ventures only 4) Unbound except as indicated in Horizontal Commitments 	<ol style="list-style-type: none"> 1) Unbound* 2) None 3) In the form of joint ventures only 4) Unbound except as indicated in Horizontal Commitments 	<ol style="list-style-type: none"> 1) Unbound* 2) None 3) None 4) Unbound except as indicated in Horizontal Commitments 	

* Unbound due to lack of technical feasibility.