

CHAPTER 8

TRADE IN SERVICES

PART I: SCOPE AND DEFINITIONS

ARTICLE 8.1: SCOPE

1. This Chapter shall apply to measures adopted or maintained by a Party affecting trade in services.
2. This Chapter shall not apply to:
 - (a) measures affecting air traffic rights, however granted, or measures affecting services directly related to the exercise of air traffic rights and air traffic control and air navigation services, other than measures affecting:
 - (i) aircraft repair and maintenance services;
 - (ii) the selling and marketing of air transport services; and
 - (iii) computer reservation system (“CRS”) services.

The Parties note the multilateral negotiations pursuant to the review of the Annex on Air Transport Services of GATS. Upon the conclusion of such multilateral negotiations, the Parties shall conduct a review for the purpose of discussing appropriate amendments to this Agreement so as to incorporate the results of such multilateral negotiations.

- (b) government procurement;
- (c) services supplied in the exercise of governmental authority in the territory of a Party;
- (d) subsidies or grants provided by a Party, including government-supported loans, guarantees, and insurance; and
- (e) measures affecting natural persons of a Party seeking access to the employment market of the other Party, or measures regarding citizenship, residence or employment on a permanent basis.

ARTICLE 8.2: DEFINITIONS

For the purposes of this Chapter:

- (a) **aircraft repair and maintenance services** means such activities when undertaken on an aircraft or a part thereof while it is withdrawn from service and does not include so-called “line maintenance”;
- (b) **commercial presence** means any type of business or professional establishment, including through:
 - (i) the constitution, acquisition, or maintenance of a juridical person; or
 - (ii) the creation or maintenance of a branch or a representative office, within the territory of a Party for the purpose of supplying a service;
- (c) **computer reservation system services** mean services provided by computerized systems that contain information about air carriers’ schedules, availability, fares and fare rules, through which reservations can be made or tickets may be issued;
- (d) **controlled** means having the power to name a majority of directors or otherwise legally direct a juridical person’s actions;
- (e) **juridical person** of a Party means any legal entity duly constituted or otherwise organized under applicable law, whether for profit or otherwise, and whether privately-owned or governmentally-owned, including any corporation, trust, partnership, joint venture, sole proprietorship, or association, which is either:
 - (i) constituted or otherwise organized in accordance with the law of that Party, and is engaged in substantive business operations in the territory of that Party; or
 - (ii) in the case of the supply of a service through commercial presence, owned or controlled by:
 - (A) natural persons of that Party; or
 - (B) juridical persons of that Party identified under subparagraph (i);
- (f) **measure** means any measure by a Party, whether in the form of a law, regulation, rule, procedure, decision, administrative action or any other form, taken by:
 - (i) central, regional, or local governments and authorities; and

- (ii) non-governmental bodies in the exercise of powers delegated by central, regional, or local governments or authorities;
- (g) **measures by Parties affecting trade in services** include measures in respect of:
 - (i) the purchase, payment, or use of a service;
 - (ii) the access to and use of, in connection with the supply of a service, services which are required by the Parties to be offered to the public generally; and
 - (iii) the presence, including commercial presence, of persons of a Party for the supply of a service in the territory of the other Party;
- (h) **monopoly supplier of a service** means any person, public or private, which in the relevant market of the territory of a Party is authorized or established formally or in effect by that Party as the sole supplier of that service;
- (i) **natural person of a Party** means a natural person who under the law of the Party,
 - (i) for Georgia, is a natural person who under Georgian law is a national of Georgia; and
 - (ii) for China, is a natural person who under the Chinese law is a national of China;
- (j) **owned** means holding more than 50 percent of the equity interest in a juridical person;
- (k) **person of a Party** means either a natural person or a juridical person of a Party;
- (l) **qualification procedures** means administrative procedures relating to the administration of qualification requirements;
- (m) **qualification requirements** means substantive requirements which a service supplier is required to fulfill in order to obtain certification or a licence;
- (n) **sector of a service** means, with reference to a specific commitment, one or more or all subsectors of that service, as specified in a Party's Schedule in Annex 8-E and Annex 8-F, or otherwise the whole of that

service sector, including all of its subsectors;

- (o) **selling and marketing of air transport services** means opportunities for the air carrier concerned to sell and market freely its air transport services including all aspects of marketing such as market research, advertising and distribution, but do not include the pricing of air transport services nor the applicable conditions;
- (p) **services** includes any service in any sector except services supplied in the exercise of governmental authority;
- (q) **service consumer** means any person that receives or uses a service;
- (r) **service supplied in the exercise of governmental authority** means any service which is supplied neither on a commercial basis nor in competition with one or more service suppliers;
- (s) **service supplier of a Party** means any person of a Party that supplies a service;¹
- (t) **supply of a service** includes the production, distribution, marketing, sale and delivery of a service;
- (u) **trade in services** means the supply of a service:
 - (i) from the territory of a Party into the territory of the other Party (“cross-border supply mode”);
 - (ii) in the territory of a Party to the service consumer of the other Party (“consumption abroad mode”);
 - (iii) by a service supplier of a Party, through commercial presence in the territory of the other Party (“commercial presence mode”); and
 - (iv) by a service supplier of a Party, through presence of natural persons of that Party in the territory of the other Party (“presence of natural persons mode” or “movement of natural persons mode”);

¹ Where the service is not supplied directly by a juridical person but through other forms of commercial presence such as a branch or a representative office, the service supplier (i.e. the juridical person) shall, nonetheless, through such commercial presence be accorded the treatment provided for service suppliers in accordance with this Chapter. Such treatment shall be extended to the commercial presence through which the service is supplied and need not be extended to any other parts of the supplier located outside the territory of a Party where the service is supplied.

- (v) **traffic rights** means the right for scheduled and non-scheduled services to operate and/or to carry passengers, cargo and mail for remuneration or hire from, to, within, or over the territory of a Party, including points to be served, routes to be operated, types of traffic to be carried, capacity to be provided, tariffs to be charged and their conditions, and criteria for designation of airlines, including such criteria as number, ownership and control.

PART II: GENERAL OBLIGATIONS AND DISCIPLINES

ARTICLE 8.3: SCHEDULING OF SPECIFIC COMMITMENTS

1. Where a Party schedules commitments in accordance with this Part, it shall set out in a schedule, called its Schedule of Specific Commitments, the specific commitments it undertakes in accordance with Articles 8.4, 8.5 and 8.7. With respect to sectors where such commitments are undertaken, its Schedule of Specific Commitments shall specify:

- (a) terms, limitations and conditions on market access;
- (b) conditions and qualifications on national treatment;
- (c) undertakings relating to additional commitments; and
- (d) where appropriate, the time-frame for implementation of such commitments.

2. Measures inconsistent with both Articles 8.4 and 8.5 shall be inscribed in the column relating to Article 8.5. In this case the inscription will be considered to provide a condition or qualification to Article 8.4 as well.

3. Schedules of Specific Commitments are annexed to this Agreement as Annex 8-E and Annex 8-F and shall form an integral part thereof.

ARTICLE 8.4: NATIONAL TREATMENT

1. Where a Party schedules commitments in accordance with this Part, in the sectors inscribed in its Schedule of Specific Commitments in Annex 8-E and Annex 8-F and subject to any conditions and qualifications set out therein, it shall accord to services and service suppliers of the other Party, in respect of all measures affecting the supply of services, treatment no less favourable than that it accords to its own like services and

service suppliers.²

2. A Party may meet the requirement in paragraph 1 by according to services and service suppliers of the other Party either formally identical treatment or formally different treatment to that it accords to its own like services and service suppliers.

3. Formally identical or formally different treatment by a Party shall be considered to be less favourable if it modifies the conditions of competition in favour of services or service suppliers of that Party compared to the like service or service suppliers of the other Party.

ARTICLE 8.5: MARKET ACCESS

1. With respect to market access through the modes of supply identified in Article 8.2(u), a Party shall accord services and service suppliers of the other Party treatment no less favourable than that provided for under the terms, limitations and conditions agreed and specified in its Schedule of Specific Commitments in Annex 8-E and Annex 8-F.³

2. In sectors where market access commitments are undertaken, the measures which a Party shall not maintain or adopt, either on the basis of a regional subdivision or on the basis of its entire territory, unless otherwise specified in its Schedule of Specific Commitments in Annex 8-E and Annex 8-F, are defined as:

- (a) limitations on the number of service suppliers whether in the form of numerical quotas, monopolies, exclusive service suppliers or the requirements of an economic needs test;
- (b) limitations on the total value of service transactions or assets in the form of numerical quotas or the requirement of an economic needs test;
- (c) limitations on the total number of service operations or on the total quantity of service output expressed in terms of designated numerical units in the form of quotas or the requirement of an economic needs

² Specific commitments assumed under this Article shall not be construed to require the Party to compensate for any inherent competitive disadvantages which result from the foreign character of the relevant services or service suppliers.

³ If a Party undertakes a market access commitment in relation to the supply of a service through the mode of supply referred to in subparagraph (u)(i) of Article 8.2, and if the cross-border movement of capital is an essential part of the service itself, that Party is thereby committed to allow such movement of capital. If a Party undertakes a market access commitment in relation to the supply of a service through the mode of supply referred to in subparagraph (u)(iii) of Article 8.2, it is thereby committed to allow related transfers of capital into its territory.

test;⁴

- (d) limitations on the total number of natural persons that may be employed in a particular service sector or that a service supplier may employ and who are necessary for, and directly related to, the supply of a specific service in the form of numerical quotas or the requirement of an economic needs test;
- (e) measures which restrict or require specific types of legal entity or joint venture through which a service supplier may supply a service; and
- (f) limitations on the participation of foreign capital in terms of maximum percentage limit on foreign shareholding or the total value of individual or aggregate foreign investment.

ARTICLE 8.6: MOST-FAVOURLED-NATION TREATMENT

1. Without prejudice to measures taken in accordance with Article VII of the GATS, and except as provided for in its List of MFN Exemptions contained in Annex 8-E and Annex 8-F, each Party shall accord immediately and unconditionally, in respect of all measures affecting the supply of services, to services and service suppliers of the other Party treatment no less favourable than the treatment it accords to like services and service suppliers of any non-party.⁵

2. Treatment granted under other existing or future agreements concluded by a Party and notified under Article V or Article V *bis* of the GATS shall not be subject to paragraph 1.

3. If a Party concludes or amends an agreement of the type referred to in paragraph 2, it shall, upon request from the other Party, endeavour to accord to the other Party treatment no less favourable than that provided under that agreement. The former Party shall, upon request from the other Party, afford adequate opportunity to the other Party to negotiate the incorporation into this Agreement of a treatment no less favourable than that provided under the former agreement.

4. The provisions of this Chapter shall not be so construed as to prevent a Party from conferring or according advantages to adjacent countries in order to facilitate exchanges limited to contiguous frontier zones of services that are both locally produced and consumed.

⁴ Paragraph 2(c) does not cover measures of a Party which limit inputs for the supply of services.

⁵ For the purposes of this Article, the term “non-party” shall not include the following WTO members within the meaning of the WTO Agreement: (1) Hong Kong, China; (2) Macao, China; and (3) Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu (Chinese Taipei).

ARTICLE 8.7: ADDITIONAL COMMITMENTS

A Party may also negotiate commitments with respect to measures affecting trade in services not subject to scheduling under Articles 8.4 and 8.5, including but not limited to those regarding qualification, standards or licensing matters. Such commitments shall be inscribed in that Party's Schedule of Specific Commitments in Annex 8-E and Annex 8-F.

PART III: OTHER PROVISIONS

ARTICLE 8.8: DOMESTIC REGULATION

1. In sectors where specific commitments are undertaken, each Party shall ensure that all measures of general application affecting trade in services are administered in a reasonable, objective and impartial manner.

2.

- (a) Each Party shall maintain or institute as soon as practicable judicial, arbitral or administrative tribunals or procedures which provide, on request of an affected service supplier, for the prompt review of, and where justified, appropriate remedies for, administrative decisions affecting trade in services. Where such procedures are not independent of the agency entrusted with the administrative decision concerned, the Party shall ensure that the procedures in fact provide for an objective and impartial review.
- (b) The provisions of subparagraph (a) shall not be construed to require a Party to institute such tribunals or procedures where this would be inconsistent with its constitutional structure or the nature of its legal system.

3. Where authorisation is required for the supply of a service on which a specific commitment under this Agreement has been made, the competent authorities of each Party shall:

- (a) in the case of an incomplete application, on request of the applicant, identify all the additional information that is required to complete the application and provide the opportunity to remedy deficiencies within a reasonable timeframe;
- (b) on request of the applicant, provide without undue delay information concerning the status of the application; and
- (c) if an application is terminated or denied, to the maximum extent possible, inform the applicant in writing and without delay the reasons for such action. The applicant will have the possibility of resubmitting, at its

discretion, a new application.

4. To ensure that measures relating to qualification requirements and procedures, technical standards and licensing requirements do not constitute unnecessary barriers to trade in services, the Parties shall jointly review the results of the negotiations on disciplines on these measures pursuant to paragraph 4 of Article VI of GATS, with a view to their incorporation into this Agreement. The Parties note that such disciplines aim to ensure that such requirements are, *inter alia*:

- (a) based on objective and transparent criteria, such as competence and the ability to supply the service;
- (b) not more burdensome than necessary to ensure the quality of the service; and
- (c) in the case of licensing procedures, not in themselves a restriction on the supply of the service.

5.

- (a) In sectors in which a Party has undertaken specific commitments, pending the incorporation of the disciplines referred to in paragraph 4, that Party shall not apply licensing and qualification requirements and technical standards that nullify or impair its obligation under this Agreement in a manner which:
 - (i) does not comply with the criteria outlined in subparagraphs 4(a), (b) or (c); and
 - (ii) could not reasonably have been expected of that Party at the time the specific commitments in those sectors were made.
- (b) In determining whether a Party is in conformity with the obligation under subparagraph 5(a), account shall be taken of international standards of relevant international organisations applied by that Party.⁶

6. In sectors where specific commitments regarding professional services are undertaken, each Party shall provide for adequate procedures to verify the competence of professionals of the other Party.

7. A Party shall, in accordance with its laws and regulations, permit services suppliers of the other Party to use enterprise names under which they trade in the territory of the other Party.

8. In accordance with Georgian legislation, Georgia permits Chinese nationals to participate in Georgia's qualification examination for auditors and permits Chinese nationals who have passed such examination to be registered/licensed and practice in Georgia on the same condition as provided for Georgian service suppliers.

⁶ The term "relevant international organisations" refers to international bodies whose membership is open to the relevant bodies of the Parties to this Agreement.

ARTICLE 8.9: RECOGNITION

1. For the purposes of the fulfillment, in whole or in part, of its standards or criteria for the authorisation, licensing or certification of service suppliers, and subject to the requirements of paragraph 4, a Party may recognise, or encourage its relevant competent bodies to recognise, the education or experience obtained, requirements met, or licences or certifications granted in the other Party. Such recognition, which may be achieved through harmonisation or otherwise, may be based upon an agreement or arrangement between the Parties or their relevant competent bodies, or may be accorded autonomously.

2. Where a Party recognises, autonomously or by agreement or arrangement, the education or experience obtained, requirements met, or licences or certifications granted in the territory of a non-party, nothing in Article 8.6 shall be construed to require the Party to accord such recognition to the education or experience obtained, requirements met, or licences or certifications granted in the territory of the other Party.

3. A Party that is a party to an agreement or arrangement of the type referred to in paragraph 2, whether existing or in the future, shall afford adequate opportunity for the other Party, on request, to negotiate its accession to such an agreement or arrangement or to negotiate comparable ones with it. Where a Party accords recognition autonomously, it shall afford adequate opportunity for the other Party to demonstrate that the education, experience, licences or certifications obtained or requirements met in that other Party's territory should also be recognised.

4. A Party shall not accord recognition in a manner which would constitute a means of discrimination between the other Party and non-parties in the application of its standards or criteria for the authorisation, licensing or certification of service suppliers, or a disguised restriction on trade in services.

ARTICLE 8.10: QUALIFICATIONS RECOGNITION COOPERATION

1. The Parties agree to encourage, where possible, the relevant bodies in their respective territories responsible for issuance and recognition of professional and vocational qualifications to strengthen cooperation and to explore possibilities for mutual recognition of respective professional and vocational qualifications.

2. The Parties may discuss, as appropriate, relevant bilateral, plurilateral and multilateral agreements relating to professional and vocational services.

ARTICLE 8.11: PAYMENTS AND TRANSFERS

1. Except in the circumstances envisaged in Article 16.6 (Measures to Safeguard

the Balance-of-Payments) of Chapter 16 (General Provisions and Exceptions), a Party shall not apply restrictions on international transfers and payments for current transactions relating to its specific commitments.

2. Nothing in this Chapter shall affect the rights and obligations of the Parties as members of the International Monetary Fund in accordance with the Articles of Agreement of the International Monetary Fund, including the use of exchange actions which are in conformity with the Articles of Agreement, provided that a Party shall not impose restrictions on any capital transactions inconsistently with its specific commitments regarding such transactions, except under Article 16.6 (Measures to Safeguard the Balance of Payments) of Chapter 16 (General Provisions and Exceptions), or at the request of the International Monetary Fund.

ARTICLE 8.12: DENIAL OF BENEFITS

Subject to prior notification and consultation, a Party may deny the benefits of this Chapter to a service supplier of the other Party if the service supplier is a juridical person:

- (a) owned or controlled by persons of a non-party or of the denying Party; and
- (b) has no substantive business operations in the territory of the other Party.

ARTICLE 8.13: TRANSPARENCY

1. Each Party shall ensure that:
 - (a) regulatory decisions, including the basis for such decisions, are promptly published or otherwise made available to all interested persons; and
 - (b) its measures relating to public networks or services are made publicly available, including the requirements, if any, for permits.
2. Each Party shall ensure that, where a licence is required, all measures relating to the licensing of suppliers of public networks or services are made publicly available, including:
 - (a) the circumstances in which a licence is required;
 - (b) all applicable licencing procedures;
 - (c) the period of time normally required to reach a decision concerning a licence application;
 - (d) the cost of, or fees for applying for, or obtaining, a licence; and
 - (e) the period of validity of a licence.
3. Each Party shall, in accordance with its laws and regulations, ensure that, on request, an applicant receives reasons for the denial of, revocation of, refusal to renew,

or the imposition or modification of conditions on, a licence. Each Party shall endeavour to provide, to the extent possible, such information in writing.

ARTICLE 8.14: CONTACT POINTS

Each Party shall designate one or more contact points to facilitate communications between the Parties on any matter covered by this Chapter, and shall provide details of such contact points to the other Party. The Parties shall notify each other promptly of any amendments to the details of their contact points.

ARTICLE 8.15: MODIFICATION OF SCHEDULES

1. A Party (referred to in this Article as the “modifying Party”) may modify or withdraw any commitment in its Schedule in Annex 8-E and Annex 8-F at any time after three years have elapsed from the date on which that commitment entered into force, provided that:

- (a) it notifies the other Party (referred to in this Article as the “affected Party”) of its intention to modify or withdraw a commitment no later than three months before the intended date of implementation of the modification or withdrawal; and
- (b) upon notification of a Party’s intent to make such modification, the Parties shall consult and attempt to reach agreement on the appropriate compensatory adjustment.

2. In achieving a compensatory adjustment, the Parties shall endeavour to maintain a general level of mutually advantageous commitment that is not less favourable to trade than provided for in the Schedules prior to such negotiations.

3. If agreement under paragraph 1(b) is not reached between the modifying Party and the affected Party within three months, the affected Party may refer the matter to an arbitral tribunal in accordance with the procedures set out in Chapter 15 (Dispute Settlement) or, where agreed between the Parties, to an alternative arbitration procedure.

4. The modifying Party may not modify or withdraw its commitment until it has made the compensatory adjustments in conformity with the findings of the arbitral tribunal in accordance with paragraph 3.

5. If the modifying Party implements its proposed modification or withdrawal and does not comply with the findings of the arbitral tribunal, the affected Party may modify or withdraw substantially equivalent benefits in conformity with the findings of the arbitral tribunal.

ARTICLE 8.16: MONOPOLIES AND EXCLUSIVE SERVICE SUPPLIERS

1. Each Party shall ensure that any monopoly supplier of a service in its territory does not, in the supply of the monopoly service in the relevant market, act in a manner inconsistent with that Party's obligations under its Schedule in Annex 8-E and Annex 8-F.

2. Where a Party's monopoly supplier competes, either directly or through an affiliated company, in the supply of a service outside the scope of its monopoly rights and which is subject to that Party's specific commitments in its Schedule in Annex 8-E and Annex 8-F, the Party shall ensure that such a supplier does not abuse its monopoly position to act in its territory in a manner inconsistent with such commitments.

3. If a Party has reason to believe that a monopoly supplier of a service of the other Party is acting in a manner inconsistent with paragraph 1 or 2, that Party may request the other Party establishing, maintaining or authorising such supplier to provide specific information concerning the relevant operations.

4. If, after the date of entry into force of this Agreement, a Party grants monopoly rights regarding the supply of a service covered by its specific commitments in its Schedule in Annex 8-E and Annex 8-F, that Party shall notify the other Party no later than three months before the intended implementation of the grant of monopoly rights, and paragraphs 1(b) and 2 of Article 8.16 shall apply.

5. This Article shall also apply to cases of exclusive service suppliers, where a Party, formally or in effect,

- (a) authorises or establishes a small number of service suppliers; and
- (b) substantially prevents competition among those suppliers in its territory.

ARTICLE 8.17: REVIEW

1. The Parties shall consult within two years of the date of entry into force of this Agreement and every two years thereafter, or as otherwise agreed, to review the implementation of this Chapter and consider other trade in services issues of mutual interest, with a view to the progressive liberalisation of the trade in services between them on a mutually advantageous basis.

2. Where a Party unilaterally liberalises a measure affecting market access of a service supplier or suppliers of the other Party, the other Party may request consultations to discuss the measure. Following such consultations, if the Parties agree to incorporate the liberalised measure into the Agreement as a new commitment, the relevant Schedule in Annex 8-E and Annex 8-F shall be amended.

ANNEX 8-A

FINANCIAL SERVICES

ARTICLE 1: SCOPE

1. This Annex provides for measures additional to Chapter 8 (Trade in Services) in relation to financial services.

2. This Annex applies to measures affecting the supply of financial services. Reference to the supply of a financial service in this Annex shall mean the supply of a financial service:

- (a) from the territory of a Party into the territory of the other Party;
- (b) in the territory of a Party to the service consumer of the other Party;
- (c) by a service supplier of a Party, through commercial presence in the territory of the other Party; or
- (d) by a service supplier of a Party, through presence of natural persons of that Party in the territory of the other Party.

ARTICLE 2: DEFINITIONS

1. For the purposes of this Annex, “services supplied in the exercise of governmental authority” as referred to in Chapter 8 (Trade in Services) of this Agreement means the following:

- (a) activities conducted by a central bank or monetary authority or by any other public entity in pursuit of monetary or exchange rate policies;
- (b) activities forming part of a statutory system of social security or public retirement plans; or
- (c) other activities conducted by a public entity for the account or with the guarantee or using the financial resources of the government, except where a Party allows the activities referred to in paragraph 1(b) or paragraph 1(c) to be conducted by its financial service suppliers in competition with a public entity or a financial service supplier.

2. The definition of “service supplied in the exercise of governmental authority” in Article 8.2 (Definitions) of Chapter 8 (Trade in Services) shall not apply to services covered by this Annex.

3. For the purposes of this Annex:

- (a) **financial service** is any service of a financial nature offered by a financial service supplier of a Party. Financial services include all insurance and insurance-related services, and all banking and other financial services (excluding insurance). Financial services include the following activities:

Insurance and insurance-related services

- (i) direct insurance (including co-insurance):
 - (A) life; and
 - (B) non-life;
- (ii) reinsurance and retrocession;
- (iii) insurance intermediation, such as brokerage and agency;
- (iv) services auxiliary to insurance, such as consultancy, actuarial, risk assessment and claim settlement services;

Banking and other financial services (excluding insurance)

- (v) acceptance of deposits and other repayable funds from the public;
- (vi) lending of all types, including consumer credit, mortgage credit, factoring and financing of commercial transaction;
- (vii) financial leasing;
- (viii) all payment and money transmission services, including credit, charge and debit cards, travellers cheques and bankers drafts;
- (ix) guarantees and commitments;
- (x) trading for own account or for account of customers, whether on an exchange, in an over-the-counter market, or otherwise, the following:
 - (A) money market instruments (including cheques, bills, certificates of deposits);
 - (B) foreign exchange;
 - (C) derivative products including, but not limited to, futures

and options;

- (D) exchange rate and interest rate instruments, including products such as swaps, forward rate agreements;
 - (E) transferable securities; and
 - (F) other negotiable instruments and financial assets, including bullion;
- (xi) participation in issues of all kinds of securities, including underwriting and placement as agent (whether publicly or privately) and provision of services related to such issues;
 - (xii) money broking;
 - (xiii) asset management, such as cash or portfolio management, all forms of collective investment management, pension fund management, custodial, depository and trust services;
 - (xiv) settlement and clearing services for financial assets, including securities, derivative products, and other negotiable instruments;
 - (xv) provision and transfer of financial information, and financial data processing and related software by suppliers of other financial services; and
 - (xvi) advisory, intermediation and other auxiliary financial services on all the activities listed in paragraphs 3(a)(v) through 3(a)(xv), including credit reference and analysis, investment and portfolio research and advice, advice on acquisitions and on corporate restructuring and strategy;
- (b) **financial service supplier** means any natural or juridical person of a Party wishing to supply or supplying financial services but does not include a public entity; and
- (c) **public entity** means:
- (i) a government, a central bank or a monetary authority of a Party, or an entity owned or controlled by a Party, that is principally engaged in carrying out governmental functions or activities for governmental purposes, not including an entity principally engaged in supplying financial services on commercial terms; or
 - (ii) a private entity performing functions normally performed by a

central bank or monetary authority, when exercising those functions.

ARTICLE 3: DOMESTIC REGULATION

1. Notwithstanding any other provisions of this Chapter, a Party shall not be prevented from adopting or maintaining reasonable measures for prudential reasons, including for:

(a) the protection of investors, depositors, policy-holders, policy-claimants, persons to whom a fiduciary duty is owed by a financial service supplier, or any similar financial market participants; or

(b) ensuring the integrity and stability of that Party's financial system.

2. Where such measures do not conform with the provisions of this Chapter, they shall not be used as a means of avoiding that Party's commitments or obligations under this Chapter. Such measures shall not constitute a disguised restriction on trade in services and shall not discriminate against financial services or financial service suppliers of the other Party in comparison to the Party's own like financial services or like financial service suppliers.

3. Nothing in this Chapter shall be construed to require a Party to disclose information relating to the affairs and accounts of individual customers or any confidential or proprietary information in the possession of public entities.

ARTICLE 4: RECOGNITION

1. A Party may recognise prudential measures of the other Party, or a non-party, in determining how the Party's measures relating to financial services shall be applied. Such recognition, which may be achieved through harmonisation or otherwise, may be based upon an agreement or arrangement with the other Party, or a non-party concerned, or may be accorded autonomously.

2. A Party that is a party to such an agreement or arrangement referred to in paragraph 1, whether future or existing, shall afford adequate opportunity for the other Party to negotiate its accession to such agreements or arrangements, or to negotiate comparable ones with it, under circumstances in which there would be equivalent regulation, oversight, implementation of such regulation, and, if appropriate, procedures concerning the sharing of information between the parties to the agreement or arrangement.

3. Where a Party accords recognition autonomously, it shall afford adequate opportunity for the other Party to demonstrate that such circumstances as referred to in

paragraph 2 exist.

ARTICLE 5: REGULATORY TRANSPARENCY

1. The Parties recognise that transparent measures governing the activities of financial service suppliers are important in facilitating their ability to gain access to and operate in each other's market.

2. Each Party shall ensure that measures of general application adopted or maintained by a Party are promptly published or otherwise made publicly available.

3. Each Party shall take such reasonable measures as may be available to it to ensure that the rules of general application adopted or maintained by self-regulatory organisations⁷ of the Party are promptly published or otherwise made publicly available.

4. Each Party shall maintain or establish appropriate mechanisms for responding to inquiries from interested persons⁸ of the other Party regarding measures of general application to which this Annex applies.

5. Each Party's regulatory authorities shall make publicly available their requirements, including any documentation required, for completing applications relating to the supply of financial services.

6. Each Party's regulatory authorities shall make administrative decisions on a completed application of a financial service supplier of the other Party seeking to supply a financial service in that Party's territory within 180 days and shall notify the applicant of the decision where possible in writing, without undue delay:

- (a) an application shall not be considered complete until all relevant proceedings are conducted and the regulatory authorities consider all necessary information has been received; and
- (b) where it is not practicable for a decision to be made within 180 days, the regulatory authority shall notify the applicant without delay and shall endeavour to make the decision within a reasonable time thereafter.

⁷ "Self-regulatory organisations" are either (a) a non-government organization that has statutory authority to regulate its own members through the adoption, supervision and enforcement of rules of conduct for fair, ethical and efficient practices in its industry; or (b) otherwise as defined by laws and regulations of a Party.

⁸ For China, "interested persons" in this Article should only be persons whose direct financial interest could potentially be affected by the adoption of the regulations of general application; for Georgia, any natural or legal person who requests public information according to legislation of Georgia.

7. On the written request of an unsuccessful applicant, a regulatory authority that has denied an application shall endeavour to inform the applicant of the reasons for denial of the application in writing.

ARTICLE 6: DISPUTE SETTLEMENT

Arbitrators on an arbitral tribunal established in accordance with Chapter 15 (Dispute Settlement) for disputes on prudential issues and other financial matters shall have the necessary expertise relevant to the specific financial service under dispute.

ARTICLE 7: CONSULTATIONS

A Party may request consultations with the other Party regarding any matter arising under this Agreement that affects financial services. The other Party shall give sympathetic consideration to the request.

ANNEX 8-B

MOVEMENT OF NATURAL PERSONS

ARTICLE 1: SCOPE

1. This Annex shall apply to measures affecting the movement of natural persons of a Party into the territory of the other Party under any of the categories referred to in Annex 8-E and Annex 8-F (Schedules of Specific Commitments).
2. This Annex shall not apply to measures affecting natural persons of a Party seeking access to the employment market of the other Party, nor shall it apply to measures regarding citizenship, nationality, or residence or employment on a permanent basis.
3. Nothing contained in this Agreement shall prevent a Party from applying measures to regulate the entry or temporary stay of natural persons of the other Party in its territory, including measures necessary to protect the integrity of its territory and to ensure the orderly movement of natural persons across its borders, provided such measures are not applied in such a manner as to nullify or impair the benefits accruing to the other Party under this Annex.⁹

ARTICLE 2: DEFINITIONS

For the purposes of this Annex:

- (a) **natural person** of a Party means a natural person of a Party as defined in Chapter 8 (Trade in Services).
- (b) **temporary entry** means entry by a natural person covered by the Annex 8-E and Annex 8-F (Schedules of Specific Commitments) without the intent to establish permanent residence and for the purpose of engaging in activities, which are clearly related to their respective business purposes.
- (c) **immigration measure** means any measure, whether in the form of a law, regulation, rule, procedure, decision, administrative action or any other form affecting the entry and stay of foreign nationals in the territory of a Party.

ARTICLE 3: OBJECTIVES

⁹ The sole fact that a Party requires natural persons of the other Party to obtain an immigration formality shall not be regarded as nullifying or impairing the benefits accruing to that other Party under this Annex.

This Annex reflects the preferential trading relationship between the Parties, their mutual desire to facilitate temporary entry for a natural person in accordance with Annex 8-E and Annex 8-F (Schedules of Specific Commitments), while recognizing the need to ensure border security and protect domestic labor force and permanent employment in their respective territories.

ARTICLE 4: GENERAL PRINCIPLES FOR GRANT OF TEMPORARY ENTRY

1. Each Party shall set out in Annex 8-E and Annex 8-F (Schedules of Specific Commitments) the specific commitments it undertakes for each of the categories of natural persons specified therein.
2. Where a Party makes a commitment under paragraph 1, that Party shall grant temporary entry of natural person of the other Party, as provided for in the commitment, given that such natural person is otherwise qualified under all applicable immigration measures.
3. Temporary entry granted in accordance with this Annex does not replace the requirements needed to carry out a profession or activity according to the applicable laws and regulations in force in the territory of the Party authorizing the temporary entry.

ARTICLE 5: TRANSPARENCY

Each Party shall, upon modification or amending an immigration measure that affects the temporary entry of natural persons, ensure that such modifications or amendments are promptly published and made available in such a manner as will enable natural persons of the other Party to become acquainted with them.

ARTICLE 6: RELATION WITH OTHER CHAPTERS OF THE AGREEMENT

1. Except for this Annex, Chapters 1 (Initial Provisions and Definitions), 13 (Transparency), 14 (Institutional Provisions), 15 (Dispute Settlement), 16 (General Provisions and Exceptions), and 17 (Final Provisions), no provision of this Agreement shall impose any obligation on a Party regarding its immigration measures within the scope of this Annex.
2. Nothing in this Annex shall be construed to impose obligations or commitments with respect to other Chapters of this Agreement.

ANNEX 8-C

TRANSPORT AND RELATED SERVICES

ARTICLE 1: SCOPE

1. The Parties will endeavor to elevate the level of connectivity in the areas of transportation and related infrastructure development, in accordance with their respective national legislation.
2. In accordance with respective national legislation, the Parties will:
 - (a) advance the establishment of a transportation coordination mechanism, increase connectivity of international multi-modal transport, and gradually formulate compatible and standard transport rules, so as to realize international transportation facilitation;
 - (b) push forward port infrastructure construction, build smooth land-water transportation channels, and cooperate on port development; and
 - (c) expand and build platforms and mechanisms for comprehensive civil aviation cooperation, and speed up the improvement of aviation infrastructure.

ARTICLE 2: TRANSPORTATION INFRASTRUCTURE DEVELOPMENT

1. The Parties will take full advantage of Georgia's unique geographic position, and promote the development of ports, roads, railways, logistics, and other infrastructure; support enterprises of the Parties to carry out international transportation and logistics cooperation; strengthen information sharing; as well as encourage and take concerted measures to ensure smooth, safe, and efficient transportation.
2. The Parties will strengthen the construction planning on airports, air traffic control, and other infrastructure, increase the investment in aviation infrastructure, and promote the establishment of air transport coordination mechanism, so as to build a safe and smooth network for air transportation.

ARTICLE 3: INTERNATIONAL MARITIME TRANSPORT

1. For the purpose of this Annex, “international maritime transport” includes door-to-door and multi-modal transport operations, which is the carriage of goods using more than one mode of transport, involving a sea-leg, under a single transport document, and to this effect the right to directly contract with providers of other modes of transport.
2. For international maritime transport, each Party shall grant non-discriminatory treatment to vessels flying the flag of the other Party, as compared to the treatment accorded to its own vessels, with regard to access to ports, the use of infrastructure and auxiliary maritime services of those ports, as well as related fees and charges, customs formalities and assignment of berths and facilities for loading and unloading.
3. Each Party shall permit the movement of empty containers, not being carried as cargo against payment, between ports of China or between ports of Georgia.

ARTICLE 4: INTERNATIONAL TRANSPORTATION AND LOGISTICS COOPERATION

The Parties shall fully utilize this bilateral Agreement to explore new opportunities of international transportation and logistics cooperation.

ANNEX 8-D

TCM COOPERATION

China and Georgia are committed to strengthening cooperation in the field of Traditional Chinese Medicine (“TCM”) services, as well as trade in TCM and complementary medicines. The Parties shall:

- (a) exchange information and discuss policies, regulations, and actions related to TCM services in order to find opportunities for further cooperation;
- (b) encourage discussion on recognition system of TCM practitioners, including the potential coverage of TCM services in its national medical system in accordance with Georgia’s national legislation;
- (c) encourage cooperation between regulators, relevant professional bodies, and registration authorities for TCM practitioners in both countries, with a view to clarifying and providing advice on the recognition and accreditation of qualifications of TCM practitioners according to national legislations;
- (d) encourage future collaboration between regulators, registration authorities, and relevant professional bodies of the Parties to facilitate trade in TCM and complementary medicines, in a manner consistent with the Parties’ relevant regulatory frameworks; and
- (e) encourage and support cooperation on TCM research and development.

Annex 8-E
CHINA'S SCHEDULE OF SPECIFIC COMMITMENTS ON SERVICES
Referred to Chapter 8 (Trade in Services)

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
I. HORIZONTAL COMMITMENTS			
ALL SECTORS INCLUDED IN THIS SCHEDULE ¹	(3)² In China, foreign invested enterprises include foreign capital enterprises (also referred to as wholly foreign-owned enterprises) and joint venture enterprises and there are two types of joint venture enterprises: equity joint ventures and contractual joint ventures.³ The proportion of foreign investment in an equity joint venture shall be no less than 25 percent of the registered capital of the joint venture. The establishment of branches by enterprises of Georgia is unbound, unless otherwise indicated in specific sub-sectors, as the laws and regulations on branches of foreign enterprises are under formulation.	(3) Unbound for all subsidies to domestic services suppliers except those committed by China in its WTO accession.	

¹ Where commitments have been made in respect of “wholly foreign owned enterprises”, joint ventures with foreign majority or minority ownership are also allowed, unless there are special requirements under China’s laws and regulations.

² For the purpose of this Schedule, limitations or commitments that refer to a “foreign” or “Georgian” participation by service suppliers of Georgia in a company, enterprise, firm or other type of commercial presence in China, (whether “wholly foreign-owned”, “foreign majority ownership”, “foreign investment”, “foreign ownership”, “foreign minority ownership” or any other form of foreign participation stipulated in Chinese law) means the total participation of non-Chinese capital whatever its origin and its owner, including but not exclusively, the participation by service suppliers of Georgia. The aforementioned types of foreign participation shall not, collectively or individually, exceed China’s WTO commitments, except the more preferential commitments in the China-Georgia FTA as allowed by current Chinese laws, regulations and rules.

³ The terms of the contract, concluded in accordance with China’s laws, regulations and other measures, establishing a “contractual joint venture” govern matters such as the manner of operation and management of the joint venture as well as the investment or other contributions of the joint venture parties. Equity participation by all parties to the contractual joint venture is not required, but is determined pursuant to the joint venture contract. “Foreign invested enterprise” in this Schedule means a foreign invested enterprise duly constituted or otherwise organised under “Law on Chinese-Foreign Equity Joint Ventures”, “Law on Chinese-Foreign Contractual Joint Ventures” and “Law on Foreign-Capital Enterprises”.

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
	Representative offices of enterprises of Georgia are permitted to be established in China, but they shall not engage in any profit-making activities except for the representative offices under CPC 861, 862, 863, 865 in the sectoral specific commitments. 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: (a) 70 years for residential purposes; (b) 50 years for industrial purposes; (c) 50 years for the purpose of education, science, culture, public health and physical education; (d) 40 years for commercial, tourist and recreational purposes; (e) 50 years for comprehensive utilisation or other purposes. (4) Unbound except for measures concerning the entry and temporary stay of natural persons who fall into one of the following categories:	(4) Unbound except for the measures concerning the entry and temporary stay of natural persons who fall into the categories referred to in the market access column.	

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
	(a) Business visitor⁴ shall be permitted entry for a maximum of 180 days; (b) Manager⁵, executive⁶ and specialist,⁷ defined as senior employees of a corporation of Georgia that has established a representative office, branch or subsidiary in the territory of the People's Republic of China, temporarily moving as intra-corporate transferees, shall be permitted entry for an initial stay of three years; (c) Contractual Service Supplier⁸: Subject to China's relevant laws and regulations, Contractual Service Supplier (CSS) of Georgia may be granted work permit and stay permit according to the terms of contracts. The initial validity of such work permit and stay permit shall not exceed four months. The services provided by CSS are only limited to the specific sectors as follows: (1) architectural services; (2) engineering services; (3) computer and related services; (4) construction services; (5) travel agency and tour operator; (6) hotels; (7) maritime cargo handling; and (8) freight transportation by rail and road.		

⁴ "Business visitor" means a natural person of Georgia who is: (a) a service seller who is a sales representative of a service supplier of Georgia and is seeking temporary entry into China for the purpose of negotiating the sale of services for that service supplier, where such representative will not be engaged in making direct sales to the general public or in supplying services directly; or (b) an investor of Georgia, or a duly authorised representative of an investor of Georgia, seeking temporary entry into China to establish, expand, monitor, or dispose of a commercial presence of that investor.

⁵ "Manager" means a natural person within an organisation who primarily directs the organisation or a department or subdivision of the organisation, supervises and controls the work of other supervisory, professional or managerial employees, has the authority to hire and fire or take other personnel actions (such as promotion or leave authorisation), and exercises discretionary authority over day-to-day operations.

⁶ "Executive" means a natural person within an organisation who primarily directs the management of the organisation, exercises wide latitude in decision making, and receives only general supervision or direction from higher level executives, the board of directors or stockholders of the business. An executive would not directly perform tasks related to the actual provision of the service nor the operation of an investment.

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
II. SPECIFIC COMMITMENTS			
1. BUSINESS SERVICES			
A. Professional Services (a) Legal Services (CPC 861, excluding Chinese law practice)	(1) None (2) None (3) Law firms of Georgia can provide legal services only in the form of representative offices. Representative offices can engage in profit-making activities. Business scope of representative offices of Georgia is only as follows: (a) to provide clients with consultancy on the legislation of the country/region where the lawyers of the law firm are permitted to engage in lawyer's professional work, and on international conventions and practices; (b) to handle, when entrusted by clients or Chinese law firms, legal affairs of the country/region where the lawyers of the law firm are permitted to engage in lawyer's professional work; (c) to entrust, on behalf of foreign clients, Chinese law firms to deal with the Chinese legal affairs; (d) to enter into contracts to maintain long-term entrustment relations with Chinese law firms for legal affairs; (e) to provide information on the impact of the Chinese legal environment.	(1) None (2) None (3) All representatives shall be resident in China no less than six months each year. The representative office shall not employ Chinese national registered lawyers.	(1) In accordance with Chinese laws, regulations and rules, Georgian law firms which have established their representative offices in the China (Shanghai) Pilot Free Trade Zone ("FTZ") may enter into contracts with Chinese law firms in the FTZ. Based on such contracts, these Georgian and Chinese law firms may dispatch their lawyers to each other to act as legal counsels. This means Chinese law firms may dispatch their lawyers to the Georgian law firms to act as legal counsels on Chinese law and international law, and Georgian law firms may dispatch their lawyers to the Chinese law firms to act as legal counsels on foreign law and international law. The two sides shall cooperate within their respective business scope.

⁷ "Specialist" means a natural person within an organisation who possesses knowledge at an advanced level of technical expertise, and who possesses proprietary knowledge of the organisation's service, research equipment, techniques or management.

⁸ "Contractual service supplier" means a natural person of Georgia who: (a) is an employee of a service supplier or an enterprise of Georgia, whether a company, partnership or firm, who enters into China temporarily in order to perform a service pursuant to a contract between his or her employer and a service consumer(s) in China; (b) is employed by a company, partnership or firm of Georgia which has no commercial presence in China where the service is to be supplied; (c) receives his or her remuneration from that employer; and (d) has appropriate educational and professional qualifications relevant to the service to be supplied.

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
	Entrustment allows the representative office of Georgia to directly instruct lawyers in the entrusted Chinese law firm, as agreed between both parties. The representatives of a Georgian law firm shall be practitioner lawyers who are members of the bar or law society in a WTO Member and have practiced for no less than two years outside of China. The Chief representative shall be a partner or equivalent (e.g., member of a law firm of a limited liability corporation) of a law firm of Georgia and have practiced for no less than three years outside of China. (4) Unbound except as indicated in horizontal commitments.	(4) Unbound except as indicated in horizontal commitments.	(2) In accordance with Chinese laws, regulations and rules, Georgian law firms which have established their representative offices in the China (Shanghai) Pilot Free Trade Zone ("FTZ") are permitted to form a commercial association with Chinese law firms in the Shanghai FTZ. Within validity of this commercial association, the two law firms of each side respectively have independent legal status, name, financial operation, and bear civil liabilities independently. Clients of the commercial association are not limited within the Shanghai FTZ. Georgian lawyers in this type of commercial association are not permitted to practise Chinese law.
(a) Accounting, auditing and bookkeeping services (CPC 862)	(1) None (2) None (3) Partnerships or incorporated accounting firms are limited to Certified Public Accountants (CPAs) licensed by the Chinese authorities. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	- Accounting firms of Georgia are permitted to affiliate with Chinese firms and enter into contractual agreements with their affiliated firms in other WTO Members. - Issuance of licences to natural persons of Georgia who have passed the Chinese national CPA examination shall be accorded national treatment. - Applicants of Georgia will be informed of results in writing no later than 30 days after submission of their applications. - Accounting firms providing services in CPC 862 can engage in taxation and management consulting services. They are not subject to requirements on form of establishment in CPC 865 and 8630.

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
(c) Taxation services (CPC 8630)	(1) None (2) None (3) Firms of Georgia are permitted to establish wholly foreign-owned subsidiaries. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	
(d) Architectural services (CPC 8671) (e) Engineering services (CPC 8672) (f) Integrated engineering services (CPC 8673) (g) Urban planning services (except general urban planning) (CPC 8674)	(1) None for scheme design. Co-operation with Chinese professional organisations is required except scheme design. (2) None (3) Wholly foreign-owned enterprises are permitted. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) Service suppliers of Georgia shall be registered architects/engineers, or enterprises engaged in architectural/engineering/urban planning services, in Georgia. (4) Unbound except as indicated in horizontal commitments.	
(h) Medical and dental services (CPC 9312)	(1) None (2) None (3) Service suppliers of Georgia are permitted to establish joint venture hospitals or clinics with Chinese partners with quantitative limitations in line with China's needs, with foreign majority ownership permitted. (4) Unbound except as indicated in horizontal commitments and as follows: Doctors of Georgia with professional certificates issued by Georgia shall be permitted to provide short-term medical services in China after they obtain licences from the National Health and Family Planning Commission of the People's Republic of China. The term of service is six months and may extend to one year.	(1) None (2) None (3) The majority of doctors and medical personnel of the joint venture hospital and clinics shall be of Chinese nationality. (4) Unbound except as indicated in horizontal commitments.	

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
B. Computer and Related Services (Computer and related services do not cover the economic activity consisting of the provision of content services which require computer and related services as means of supply) (a) Consultancy services related to the installation of computer hardware (CPC 841)	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Qualifications are as follows: certified engineers, or personnel with Bachelor's degree (or above) and three years of experience in these fields.	
(b) Software implementation services (CPC 842) (c) Data processing services (CPC 843) - Input preparation services (CPC 8431)	(1) None (2) None (3) Only in the form of joint ventures, with foreign majority ownership permitted. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Qualifications are as follows: certified engineers, or personnel with Bachelor's degree (or above) and three years of experience in these fields.	
- Data processing and tabulation services (CPC 8432) - Time-sharing services (CPC 8433)	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Qualifications are as follows: certified engineers, or personnel with Bachelor's degree (or above) and three years of experience in these fields.	
D. Real Estate Services (a) Real estate services involving own or leased property (CPC 821)	(1) None (2) None (3) None except for the following: Wholly foreign-owned enterprises are not permitted for high standard real estate projects, such as apartments and office buildings, but excluding luxury hotels. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	
(b) Real estate services on a fee or contract basis (CPC 822)	(1) None (2) None (3) Only in the form of joint ventures, with foreign majority ownership permitted. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
F. Other Business Services (a) Advertising Services (CPC 871)	(1) Only through advertising agents registered in China who have the right to provide foreign advertising services. (2) Only through advertising agents registered in China who have the right to provide foreign advertising services. (3) Service suppliers of Georgia are permitted to establish advertising enterprises in China. Wholly foreign-owned subsidiaries are permitted. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	
(c) Management Consulting services (CPC 865)	(1) None (2) None (3) Wholly foreign-owned subsidiaries are allowed. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	
(e) Technical testing and analysis services (CPC 8676) and freight inspection covered by CPC 749, excluding statutory inspection services for freight inspection services	(1) None (2) None (3) Services suppliers of Georgia which have been engaged in inspection services in Georgia for more than three years are permitted to establish joint venture technical testing, analysis and freight inspection companies with no less than US\$ 350,000 in registered capital. Wholly foreign-owned subsidiaries are permitted. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
(f) Services incidental to agriculture, forestry, hunting and fishing (CPC 881, 882)	(1) None (2) None (3) Only in the form of joint ventures, with foreign majority ownership permitted. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	
(m) Related scientific technical consulting services (CPC 8675) - Offshore oil-field services geological, geophysical and other scientific prospecting services (CPC 86751) Sub-surface surveying services (CPC 86752)	 (1) None (2) None (3) Only in the form of petroleum exploitation in cooperation with Chinese partners. (4) Unbound except as indicated in horizontal commitments.	 (1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
- Onshore oil-field services	(1) None (2) None (3) Only in the form of petroleum exploitation in cooperation with China National Petroleum Corp. (CNPC) or China Petroleum & Chemical Corporation (SINOPEC) in the designated areas approved by the Chinese Government. In order to carry out the petroleum contract, the service supplier of Georgia shall establish a branch, 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 CNPC or SINOPEC. The service supplier of Georgia shall open its bank account with a bank approved by the Chinese authorities to engage in foreign exchange business within the Chinese territory. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) The service supplier of Georgia shall furnish CNPC or SINOPEC accurately and promptly with the reports on the petroleum operations, and shall submit to CNPC or SINOPEC the data and samples as well as various technological, economic, accounting and administrative reports related to petroleum operations. CNPC or SINOPEC shall have the ownership of all of the data records, samples, vouchers and other original information acquired during the implementation of the petroleum operations. The investment of service suppliers of Georgia shall be made in US dollars or other hard currencies. (4) Unbound except as indicated in horizontal commitments.	
(p) Photographic services (CPC 875)	(1) None (2) None (3) Only in the form of joint ventures, with foreign majority ownership permitted. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	
(q) Packaging services (CPC 876)	(1) None (2) None (3) Service suppliers of Georgia are permitted to establish wholly foreign-owned subsidiaries. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
(s) Convention services (CPC 87909)	(1) None (2) None (3) Only in the form of joint ventures, with foreign majority ownership permitted. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	
(t) Translation and interpretation services (CPC 87905)	(1) None (2) None (3) Only in the form of joint ventures, with foreign majority ownership permitted. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Qualifications are as follows: three years of experience in translation or interpretation and a good command of the working language(s).	
- Maintenance and repair services (CPC 63, 6112 and 6122) - Maintenance and repair services of office machinery and equipment including computers (CPC 845 and 886) - Rental and leasing services (CPC 831, 832, excluding CPC 83202)	(1) None (2) None (3) Wholly foreign-owned subsidiaries are permitted. For Rental and Leasing services, service suppliers are required to have global assets of US\$ 5 million. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
2. COMMUNICATION SERVICES			
B. Courier Services (CPC 75121, except for those specifically reserved to Chinese postal authorities by law)	(1) None (2) None (3) Service suppliers of Georgia are permitted to establish wholly foreign-owned subsidiaries. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	
C. Telecommunication Services ⁹ Value-added Services Including the following: (h) Electronic mail (i) Voice mail (j) On-line information and database retrieval (k) Electronic data interchange (l) Enhanced/Value-added facsimile services (including store and forward, store and retrieve) (m) Code and protocol conversion (n) On-line information and/or data processing (including transaction processing)	(1) See mode 3 (2) None (3) Service suppliers of Georgia are permitted to establish joint venture value-added telecommunication enterprises and foreign investment in the joint ventures shall be no more than 50 percent. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	China undertakes the obligations contained in the Reference Paper in Attachment 1 attached hereto.

⁹ China's commitments are scheduled in accordance with the following: Notes for Scheduling Basic Telecom Services Commitments (S/GBT/W/2/REV/1) and Market Access Limitations on Spectrum Availability (S/GBT/W/3) attached hereto.

All international telecommunications services shall go through gateways established with the approval of China's telecommunications authorities, which will act as an independent regulatory authority in accordance with the principles of paragraph 5 of the Reference Paper.

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
Basic Telecommunication Services - Paging Services	(1) See mode 3 (2) None (3) Service suppliers of Georgia are permitted to establish joint venture enterprises and foreign investment in the joint ventures shall be no more than 50 percent. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	China undertakes the obligations contained in the Reference Paper in Attachment 1 attached hereto.
Mobile Voice and Data Services: - Analogue / Digital / Cellular Services - Personal Communication Services	(1) See mode 3 (2) None (3) Service suppliers of Georgia are permitted to establish joint ventures only, and foreign investment in the joint ventures shall be no more than 49 percent. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	
- Domestic Services (a) Voice services (b) Packet-switched data transmission services (c) Circuit-switched data transmission services (f) Facsimile services (g) Domestic private leased circuit services - International Services (a) Voice services (b) Packet-switched data transmission services (c) Circuit-switched data transmission services (f) Facsimile services (g) International closed user group voice and data services (use of private leased circuit service is permitted)	(1) See mode 3 (2) None (3) Service suppliers of Georgia are permitted to establish joint ventures only, and foreign investment in the joint ventures shall be no more than 49 percent. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
D. Audiovisual Services - Videos, including entertainment software and (CPC 83202), distribution services - Sound recording distribution services	(1) None (2) None (3) Services suppliers of Georgia are permitted to establish contractual joint ventures with Chinese partners to engage in the distribution of audiovisual products, excluding motion pictures, without prejudice to China's right to examine the content of audio and video products (see footnote 3). (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	Without prejudice to compliance with China's regulations on the administration of films, China allows the importation of motion pictures for theatrical release from foreign countries on a revenue-sharing basis and the number of such imports shall be 20 on an annual basis.
- Cinema Theatre Services	(1) None (2) None (3) Services suppliers of Georgia are permitted to construct and/or renovate cinema theatres, with foreign investment no more than 49 percent. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
3. CONSTRUCTION AND RELATED ENGINEERING SERVICES (CPC 511, 512, 513 ¹⁰ , 514, 515, 516, 517, 518 ¹¹)	(1) Unbound* (2) None (3) Joint ventures, with foreign majority ownership are permitted. Wholly foreign-owned enterprises are permitted. Wholly foreign-owned enterprises can only undertake the following four types of construction projects. 1. Construction projects wholly financed by foreign investment and/or grants. 2. Construction projects financed by loans of international financial institutions and awarded through international tendering according to the terms of loans. 3. Chinese-foreign jointly constructed projects with foreign investment equal to or more than 50 percent; and Chinese-foreign jointly constructed projects with foreign investment less than 50 percent but technically difficult to be implemented by Chinese construction enterprises alone. 4. Chinese invested construction projects which are difficult to be implemented by Chinese construction enterprises alone can be jointly undertaken by Chinese and foreign construction enterprises with the approval of the provincial government. (4) Unbound except as indicated in horizontal commitments.	(1) Unbound* (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	

¹⁰ Including dredging services relating to infrastructure construction.

¹¹ Coverage of CPC 518 is limited only to the rental and leasing services of construction and/or demolition machines with operator which are owned and used by foreign construction enterprises in their supply of services.

* Unbound due to lack of technical feasibility.

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
4. DISTRIBUTION SERVICES (as defined in Attachment 2)			
A. Commission Agents' Services (excluding salt, tobacco) B. Wholesale Trade Services (excluding salt, tobacco)	(1) Unbound (2) None (3) Wholly foreign-owned enterprises are allowed. (4) Unbound except as indicated in horizontal commitments.	(1) Unbound (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	Georgian enterprises are permitted to distribute their products manufactured in China, including the products listed in the market access or sector or sub-sector column, and provide subordinate services as defined in Attachment 2. Service suppliers of Georgia are permitted to provide the full range of related subordinate services, including after sales services, as defined in Attachment 2, for the products they distribute.
C. Retailing Services (excluding tobacco).	(1) Unbound except for mail order. (2) None (3) Wholly foreign-owned enterprises are allowed, except for chain stores which sell products of different types and brands from multiple suppliers with more than 30 outlets. For such chains stores with more than 30 outlets, foreign majority ownership is not permitted if those chain stores distribute any of the following products: books, newspapers, magazines, pharmaceutical products, pesticides, mulching films, processed oil, crude oil, chemical fertilizers and products listed in Annex 2a of the Protocol of China's WTO Accession (WT/L/432). The chain store operators of Georgia will have the freedom of choice of any partner, legally established in China according to China's laws and regulations. (4) Unbound except as indicated in horizontal commitments.	(1) Unbound except for mail order. (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	Georgian enterprises may distribute their products manufactured in China, including those excepted products as listed in the market access or sector or sub-sector column, and provide subordinate services as defined in Attachment 2. Service suppliers of Georgia are permitted to provide full range of related subordinate services, including after sales services, as defined in Attachment 2, for the products they distribute.

Modes of supply:			
	(1) Cross-border supply	(2) Consumption abroad	(3) Commercial presence
Sector or sub-sector	Limitations on market access	Limitation on national treatment	(4) Presence of natural persons
D. Franchising	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	
E. Wholesale or retail trade services away from a fixed location.	(1) None (2) None (3) None ¹² (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	

¹² See paragraph 310 of the Report of the Working Party on the Accession of China to the WTO.

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
5. EDUCATIONAL SERVICES (Excluding special education services e.g. military, police, political and party school education)			
A. Primary education services (CPC 921, excluding national compulsory education in CPC 92190)	(1) Unbound (2) None (3) Joint schools will be established, with foreign majority ownership permitted.	(1) Unbound (2) None (3) Unbound	
B. Secondary education services (CPC 922, excluding national compulsory education in CPC 92210)	(4) Unbound except as indicated in horizontal commitments and the following: Individual education service suppliers of Georgia may enter into China to provide education services when invited or employed by Chinese schools and other education institutions.	(4) Qualifications are as follows: possession of Bachelor's degree or above; and an appropriate professional title or certificate, with two years' professional experience.	
C. Higher education services (CPC 923)			
D. Adult education services (CPC 924)			
E. Other education services (CPC 929, including English languages training)			

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
6. ENVIRONMENTAL SERVICES (excluding environmental quality monitoring and pollution source inspection)			
A. Sewage Services (CPC 9401)	(1) Unbound except for environmental consultation services. (2) None (3) Foreign services suppliers engaged in environmental services are permitted to provide services only in the form of joint ventures, with foreign majority ownership permitted. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	
B. Solid Waste Disposal Services (CPC 9402)	(1) Unbound except for environmental consultation services. (2) None (3) Foreign services suppliers engaged in environmental services are permitted to provide services only in the form of joint ventures, with foreign majority ownership permitted. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	
C. Cleaning Services of Exhaust Gases (CPC 9404)	(1) Unbound except for environmental consultation services. (2) None (3) Foreign services suppliers engaged in environmental services are permitted to provide services only in the form of joint ventures, with foreign majority ownership permitted. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	

Modes of supply:			
(1) Cross-border supply		(2) Consumption abroad	(3) Commercial presence
(4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
D. Noise Abatement Services (CPC 9405)	(1) Unbound except for environmental consultation services. (2) None (3) Foreign services suppliers engaged in environmental services are permitted to provide services only in the form of joint ventures, with foreign majority ownership permitted. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	
E. Nature and Landscape Protection Services (CPC 9406)	(1) Unbound except for environmental consultation services. (2) None (3) Foreign services suppliers engaged in environmental services are permitted to provide services only in the form of joint ventures, with foreign majority ownership permitted. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	
F. Other Environmental Protection Services (CPC 9409)	(1) Unbound except for environmental consultation services. (2) None (3) Foreign services suppliers engaged in environmental services are permitted to provide services only in the form of joint ventures, with foreign majority ownership permitted. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	
G. Sanitation Services (CPC 9403)	(1) Unbound except for environmental consultation services. (2) None (3) Foreign services suppliers engaged in environmental services are permitted to provide services only in the form of joint ventures, with foreign majority ownership permitted. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
7. FINANCIAL SERVICES			
A. All Insurance and Insurance-Related Services (a) Life, health and pension/annuities insurance (b) Non-life insurance (c) Reinsurance (d) Services auxiliary to insurance	(1) Unbound except for: (a) reinsurance; (b) international marine, aviation, and transport insurance; and (c) brokerage for large scale commercial risks, international marine, aviation, and transport insurance, and reinsurance. (2) Unbound for brokerage. Other, none. (3) A. <u>Form of establishment</u> Non-life insurers of Georgia are permitted to establish as a branch or as a wholly-owned subsidiary; i.e., with no form of establishment restrictions. Life insurers of Georgia are permitted 50 percent foreign ownership in a joint venture with the partner of their choice.	(1) None (2) None (3) None, except for: - Insurance institutions of Georgia shall not engage in the statutory insurance business, except that insurance institutions of Georgia are permitted to undertake third party auto liability insurance.	

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
	The joint venture partners can freely agree the terms of their engagement, provided they remain within the limits of the commitments contained in this Schedule. For brokerage for insurance of large scale commercial risks and brokerage for reinsurance and brokerage for international marine, aviation, and transport insurance and reinsurance: wholly foreign-owned subsidiaries are permitted. For other brokerage services: Unbound. Internal branching is permitted for insurance firms of Georgia which have established joint venture insurance companies or wholly owned subsidiaries in China. Internal branching is permitted for brokerage for insurance of large scale commercial risks and brokerage for reinsurance and brokerage for international marine, aviation, and transport insurance and reinsurance which have established wholly foreign-owned subsidiaries in China.		

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
	B. <u>Business Scope</u> Non-life insurers of Georgia are permitted to provide “Master policy” (see Attachment 3) insurance/insurance of large scale commercial risks, which has no geographic restrictions. In accordance with national treatment, insurance brokers of Georgia are permitted to provide “Master policy” no later than Chinese brokers, under conditions no less favourable. Non-life insurers of Georgia are permitted to provide the full range of non-life insurance services to both foreign and domestic clients. Insurers of Georgia are permitted to provide health insurance, individual/group insurance and pension/annuities insurance to foreigners and Chinese. Insurers of Georgia are permitted to provide reinsurance services for life and non-life insurance as a branch, joint venture, or wholly foreign-owned subsidiary, without geographic or quantitative restrictions on the number of licences issued. C. <u>Licences</u> Licences will be issued with no economic needs test or quantitative limits on licences. Qualifications for establishing an insurance institution of Georgia are as follows:		

Modes of supply:			
	(1) Cross-border supply	(2) Consumption abroad	(3) Commercial presence
			(4) Presence of natural persons
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
	- the investor shall be an insurance company of Georgia with more than 30 years of establishment experience in a WTO Member; - it shall have a representative office for two consecutive years in China; - it shall have total assets of more than US\$ 5 billion at the end of the year prior to application, except for insurance brokers. Insurance brokers shall have total assets of more than US\$ 200 million. (4) Unbound except as indicated in horizontal commitments.	(4) Unbound except as indicated in horizontal commitments.	

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
B. Banking and Other Financial Services (excluding insurance and securities) Banking services as listed below: (a) Acceptance of deposits and other repayable funds from the public; (b) Lending of all types, including consumer credit, mortgage credit, factoring and financing of commercial transaction; (c) Financial leasing; (d) All payment and money transmission services, including credit, charge and debit cards, travellers cheques and bankers drafts (including import and export settlement); (e) Guarantees and commitments; (f) Trading for own account or for account of customers: foreign exchange.	(1) Unbound except for the following: - Provision and transfer of financial information, and financial data processing and related software by suppliers of other financial services; - Advisory, intermediation and other auxiliary financial services on all activities listed in subparagraphs (a) through (k), including credit reference and analysis, investment and portfolio research and advice, advice on acquisitions and on corporate restructuring and strategy. (2) None (3) A. <u>Geographic coverage</u> For foreign currency and local currency business, there is no geographic restriction.	(1) None (2) None (3) Except for prudential measures, foreign financial institutions may do business, without restrictions or need for case-by-case approval, with foreign-invested enterprises, non-Chinese natural persons, Chinese natural persons and Chinese enterprises. Otherwise, none.	For financial leasing services, financial leasing corporations of Georgia will be permitted to provide financial leasing service at the same time as domestic corporations.

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
	B. <u>Clients</u> For foreign currency business, financial institutions of Georgia are permitted to provide services in China without restriction as to clients. For local currency business, financial institutions of Georgia are permitted to provide services to Chinese enterprises. Financial institutions of Georgia are permitted to provide services to all Chinese clients. Financial institutions of Georgia licensed for local currency business in one region of China may service clients in any other region that has been opened for such business. C. <u>Licensing</u> Criteria for authorisation to deal in China's financial services sector are solely prudential (i.e., contain no economic needs test or quantitative limits on licences). Financial institutions of Georgia who meet the following condition are permitted to establish a subsidiary of a bank of Georgia in China:		

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
	- total assets of more than US\$ 10 billion at the end of the year prior to filing the application. Financial institutions of Georgia who meet the following condition are permitted to establish a branch of a bank of Georgia in China: - total assets of more than US\$ 20 billion at the end of the year prior to filing the application. Financial institutions of Georgia who meet the following condition are permitted to establish a Chinese-foreign joint bank in China: - total assets of more than US\$ 10 billion at the end of the year prior to filing the application. Qualifications for financial institutions of Georgia to engage in local currency business are as follows: - one year business operation in China prior to the application, otherwise, none. (4) Unbound except as indicated in horizontal commitments.	(4) Unbound except as indicated in horizontal commitments.	

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
- Securities	(1) Unbound except for the following: (a) Securities institutions of Georgia may engage directly (without Chinese intermediary) in B share business. (b) Service suppliers of Georgia which meet the requirements of China's relevant laws and regulations are permitted to provide the following services to Chinese Qualified Domestic Institutional Investors (QDII): - Trading for account of QDII; - Providing securities trading advice ; - Providing portfolio management; - Providing custody for overseas assets of QDII. (2) None (3) None (a) Unbound except for the following: Representative offices in China of securities institutions of Georgia may become Special Members of all Chinese stock exchanges. Service suppliers of Georgia are permitted to establish joint ventures with foreign investment up to 49 percent to conduct domestic securities investment fund management business. Securities institutions of Georgia are permitted to establish joint ventures, with foreign minority ownership not exceeding 49 percent, to engage (without Chinese intermediary) in underwriting A shares and in underwriting and trading of B and H shares as well as government and corporate debts, launching of funds.	(1) None (2) None (3) None	Subject to approval, the Georgian financial services institutions in China are allowed to participate in the securitisation business (CSRC-approved securities related services only) after having obtained relevant business qualifications. With such approval, these financial services institutions will enjoy national treatment in accordance with China's laws and regulations.

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
	The joint venture securities companies which have two years business operation in China and meet the regulatory requirements and conditions, upon approval, are permitted to engage in securities brokerage, proprietary trading and asset management. Service suppliers of Georgia are permitted to establish joint venture futures companies, with foreign investment up to 49 percent. (b) Criteria for authorisation to deal in China's financial industry are solely prudential (i.e., contain no economic needs test or quantitative limits on licences). (4) Unbound except as indicated in horizontal commitments.	(4) Unbound except as indicated in horizontal commitments.	

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
8. HEALTH RELATED AND SOCIAL SERVICES B. Social Services - Services for the aged (part of CPC 93311 and 93323)	(1) Unbound (2) Unbound (3) Service suppliers of Georgia are permitted to establish wholly foreign -owned profit-making institutions for the aged in China. (4) Unbound except as indicated in horizontal commitments.	(1) Unbound (2) Unbound (3) Unbound (4) Unbound except as indicated in horizontal commitments.	

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
9. TOURISM AND TRAVEL RELATED SERVICES			
A. Hotels (including apartment buildings) and Restaurants (CPC 641-643)	(1) None (2) None (3) Services suppliers of Georgia may construct, renovate and operate hotel and restaurant establishments in China. Wholly foreign-owned subsidiaries are permitted. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
B. Travel Agency and Tour Operator (CPC 7471)	(1) None (2) None (3) None (4) Unbound, except as indicated in horizontal commitments.	(1) None (2) None (3) None except that joint ventures or wholly-owned travel agencies and tour operators are not permitted to engage in the activities of Chinese travelling abroad and to Hong Kong China, Macao China and Chinese Taipei. (4) Unbound, except as indicated in horizontal commitments.	China-Georgia joint venture travel agencies and tour operators that have been registered and established in China (Shanghai) Pilot Free Trade Zone may engage in the activities of Chinese travelling abroad and to Hong Kong, China and Macao, China, provided that these China-Georgia joint venture travel agencies and tour operators have met relevant requirements. China-Georgia joint venture travel agencies and tour operators that have been registered and established in China (Tianjin) Pilot Free Trade Zone may engage in the activities of Chinese travelling abroad and to Hong Kong, China and Macao, China, provided that these China-Georgia joint venture travel agencies and tour operators have met relevant requirements. Subject to relevant regulations and policies adopted by the government of Beijing, China-Georgia joint venture travel agencies and tour operators that have been registered and established in Beijing may engage in the activities of Chinese travelling abroad and to Hong Kong, China and Macao, China, provided that these China-Georgia joint venture travel agencies and tour operators have met relevant requirements.

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
11. TRANSPORT SERVICES A. Maritime Transport Services - International transport (freight and passengers) (CPC 7211 and 7212 less cabotage transport services)	(1) (a) Liner shipping (including passenger transportation): None (b) Bulk, tramp and other international shipping (including passenger transportation): None (2) None (3) (a) Establishment of registered companies for the purpose of operating a fleet under the national flag of the People's Republic of China: - Service suppliers of Georgia are permitted to establish joint venture shipping companies. - Foreign investment shall not exceed 49 percent of the total registered capital of the joint venture. - The chairman of board of directors and the general manager of the joint venture shall be appointed by the Chinese side. (b) Other forms of commercial presence for the supply of international maritime transport services: Unbound (4) (a) Ship's crew: Unbound except as indicated in horizontal commitments. (b) Key personnel employed by Commercial Presence as defined under mode (3) (b) above: Unbound except as indicated in horizontal commitments.	(1) (a) None (b) None (2) None (3) (a) None (b) Unbound (4) (a) Unbound except as indicated in horizontal commitments. (b) Unbound except as indicated in horizontal commitments.	A: The following services at the port are made available to international maritime transport suppliers on reasonable and non-discriminatory terms and conditions: 1. Pilotage 2. Towing and tug assistance 3. Provisioning, fuelling and watering 4. Garbage collecting and ballast waste disposal 5. Port Captain's services 6. Navigation aids 7. Shore-based operational services essential to ship operations, including communications, water and electrical supplies 8. Emergency repair facilities 9. Anchorage, berth and berthing services. B: 1. Qualified maritime service suppliers of Georgia are allowed to establish wholly foreign-owned ship management enterprises in the China (Shanghai) Pilot Free Trade Zone ("Shanghai FTZ"); 2. Qualified maritime service suppliers of Georgia are allowed to establish joint venture shipping companies in the Shanghai FTZ, with foreign majority ownership permitted. 3. The chairman of board of directors and the general manager of the joint venture international shipping companies established in the Shanghai FTZ may be appointed by the Chinese and Georgian sides through consultation. 4. For the ships owned or bareboat-chartered by the joint venture international shipping companies established in the Shanghai FTZ, the registration of such ships may be carried out in accordance with the international ship registration system in the Shanghai FTZ.

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
H. Auxiliary Services (a) Maritime cargo-handling services (CPC 741)	(1) Unbound* (2) None (3) Only in the form of joint ventures, with foreign majority ownership permitted. (4) Unbound except as indicated in horizontal commitments.	(1) Unbound* (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	
(c) Customs clearance services	(1) Unbound (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	(1) Unbound (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	
(d) Container station and depot services	(1) Unbound* (2) None (3) Only in forms of joint ventures, with foreign majority ownership permitted. (4) Unbound except as indicated in horizontal commitments.	(1) Unbound* (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	
(e) Maritime agency services	(1) None (2) None (3) Only in forms of joint ventures, with foreign equity share no more than 49 percent. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	

* Unbound due to lack of technical feasibility.

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
B. Internal Waterways Transport (b) Freight transport (CPC 7222)	(1) Only international shipping in ports open to foreign vessels are permitted. (2) None (3) Unbound (4) Unbound except as indicated in horizontal commitments.	(1) Limitations as indicated under market access column. (2) None (3) Unbound (4) Unbound except as indicated in horizontal commitments	
C. Air Transport Services (d) Aircraft repair and maintenance services (CPC 8868)	(1) Unbound* (2) None (3) Service suppliers of Georgia are permitted to establish joint venture aircraft repair and maintenance enterprises in China. The Chinese side shall hold at least 51 per cent shares in the joint ventures. (4) Unbound except as indicated in horizontal commitments.	(1) Unbound* (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	
- Selling and marketing of air transport services	(1) None (2) None (3) Foreign enterprises, which are designated to operate as per the bilateral air services agreements, can establish offices in China. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	

* Unbound due to lack of technical feasibility.

Modes of supply:			
(1) Cross-border supply		(2) Consumption abroad	(3) Commercial presence
(4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
- Computer Reservation System (CRS) services	(1) (a) Foreign computer reservation systems may provide services to Chinese aviation enterprises and aviation agents by connecting through a Chinese computer reservation system. (b) Direct access to and use of foreign computer reservation systems by aviation agents are subject to the approval of the General Administration of Civil Aviation of China (CAAC). (2) None (3) (a) Foreign CRS providers are permitted to establish joint ventures with Chinese CRS providers in China to provide CRS services. (b) The Chinese side shall hold at least 51 per cent shares in the joint ventures. (c) Licenses for the establishment of joint ventures are subject to economic needs test. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	
E. Rail Transport Services F. Road Transport Services - Freight transportation by rail (CPC 7112) - Freight transportation by road in trucks or cars (CPC 7123)	(1) None (2) None (3) For rail transport, wholly foreign-owned subsidiaries are permitted. For road transport, wholly foreign-owned subsidiaries are permitted. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	

Modes of supply:			
(1) Cross-border supply		(2) Consumption abroad	(3) Commercial presence
(4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
F. Road Transport Services - Passenger transportation (CPC 71213)	(1) Unbound (2) Unbound (3) Only in the form of joint ventures, with foreign investment not to exceed 49 per cent. Economic needs tests are required. (4) Unbound except as indicated in horizontal commitments.	(1) Unbound (2) Unbound (3) None (4) Unbound except as indicated in horizontal commitments.	
H. Services Auxiliary to all Modes of Transport - Storage and warehousing services (CPC 742)	(1) Unbound (2) None (3) Wholly foreign-owned subsidiaries are permitted. (4) Unbound except as indicated in horizontal commitments.	(1) Unbound (2) None (3) None (4) Unbound except as indicated in horizontal commitments	

Modes of supply:			
	(1) Cross-border supply	(2) Consumption abroad	(3) Commercial presence
Sector or sub-sector	Limitations on market access	Limitation on national treatment	(4) Presence of natural persons
- Freight forwarding agency services (CPC 748) - Other (CPC 749) excluding freight inspection	(1) None (2) None (3) Freight forwarding agencies of Georgia which have at least three consecutive years' experience are permitted to set up freight forwarding agency joint ventures in China. Wholly foreign-owned subsidiaries are permitted. Operation term of the joint ventures shall not exceed 20 years. After one year operating in China, the joint venture may set up branches. A freight forwarding agency of Georgia may set up a second joint venture after its first joint venture has been in operation for two years. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	

CHINA-LIST OF MFN EXEMPTIONS

Referred to Article 8.6 (MOST-FAVOURED-NATION TREATMENT)

Sector or Sub-sector	Description of Measures Indicating its Inconsistency with Article 8.6	Countries to Which the Measures Applies	Intended Duration	Conditions Creating the Need for the Exemption
Maritime Transport International Transport Freight and Passengers	The parties concerned may, through bilateral agreement, establish entities to engage in usual business in China either as joint ventures or wholly-owned subsidiaries subject to the Chinese laws on joint ventures and on foreign capital enterprises for ships owned or operated by carriers of the parties concerned.	Unspecified.	Unforeseeable.	According to present state of trade between signatories.
	Agreements of cargo sharing.	Algeria, Argentina, Bangladesh, Brazil, Thailand, USA, Zaire.	Subject to the effective duration of the agreements concerned.	According to present state of trade between signatories.