

ANNEX XI

REFERRED TO IN ARTICLE 4.4

INVESTMENT RESERVATIONS

APPENDIX 1: RESERVATIONS BY HONG KONG, CHINA

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APPENDIX 1 TO ANNEX XI

RESERVATIONS
BY HONG KONG, CHINA

HONG KONG, CHINA

Sector:	Manufacture and storage of dutiable commodities
Sub-sector:	-
Legal source or authority of the measure:	Sections 7 & 8A of the Dutiable Commodities Ordinance (Cap. 109) and Regulation 22 of the Dutiable Commodities Regulations (Cap. 109A)
Succinct description of the measure:	To apply for a licence for the manufacture or storage of dutiable commodities under the Dutiable Commodities Ordinance (Cap. 109), the applicant has to appoint a responsible person to be held responsible for the running and management of the premises concerned. The responsible person has to be a Hong Kong resident holding a valid Hong Kong Identity Card.
Purpose or motivation of the measure:	For effective enforcement of excise control and revenue protection.

HONG KONG, CHINA

Sector:	Manufacture of optical discs and stampers
Sub-sector:	-
Legal source or authority of the measure:	Sections 5(1), 5(2)(c)(v) and 30 of the Prevention of Copyright Piracy Ordinance (Cap. 544)
Succinct description of the measure:	To apply for a licence for the manufacture of optical discs or stampers under the Prevention of Copyright Piracy Ordinance (Cap. 544), the applicant has to be a Hong Kong resident holding a valid Hong Kong Identity Card.
Purpose or motivation of the measure:	For effective enforcement of copyright protection.

HONG KONG, CHINA

Sector:	Energy
Sub-sector:	-
Legal source or authority of the measure:	-
Succinct description of the measure:	Hong Kong, China reserves the right to adopt or maintain any measures with respect to the energy sector.
Purpose or motivation of the measure:	For energy policy considerations.

APPENDIX 2 TO ANNEX XI

RESERVATIONS
BY ICELAND

ICELAND

Sector:	All sectors
Sub-sector:	-
Legal source or authority of the measure:	Law No. 138/1994 Respecting Private Limited Companies, Law No. 2/1995 Respecting Public Limited Companies, Law No. 34/1991 on Investment by Non-Residents in Business Enterprises
Succinct description of the measure:	The majority of the founders of a private limited company or a public limited company must either be resident in Iceland, in another member state of the European Economic Area, in another member state of the European Free Trade Association or in the Faroe Islands. The Minister of Commerce can grant exemptions from these restrictions. The manager(s) and at least half the board of directors of a private limited company or a public limited company must either be resident in Iceland, in another member state of the European Economic Area, in another member state of the European Free Trade Association or in the Faroe Islands. The Minister of Commerce can grant exemptions from these restrictions.
Purpose or motivation of the measure:	To secure that the legal venue of the majority of the board of directors and managers is within Icelandic jurisdiction.

ICELAND

Sector:	All sectors
Sub-sector:	-
Legal source or authority of the measure:	Law No. 19/1966 on the Right to Own and Use Real Estate, Law No. 34/1991 on Investment by Non-Residents in Business Enterprises
Succinct description of the measure:	Only Icelandic citizens and Icelandic legal entities and citizens and legal entities from another member state of the European Economic Area, another member state of the European Free Trade Association or from the Faroe Islands are allowed to own real estate in Iceland unless the ownership and use is linked to an investment in real estate pertaining to the business activity of the investor. The same applies to the hiring of a real estate if the duration of the lease lasts for more than three years. These restrictions do not apply to a non-EEA citizen who has been residing in Iceland for at least five years. The Minister of Justice can grant exemptions from these restrictions.
Purpose or motivation of the measure:	Fluctuations in real estate prices due to possible excess foreign demand can adversely affect the domestic market for housing and summer houses (secondary homes).

ICELAND

Sector:	Fisheries
Sub-sector:	Fishing, whaling
Legal source or authority of the measure:	Law No. 22/1998 on the Fishing and Fish processing of Foreign Vessels in Iceland's Economic Zone, Law No. 34/1991 on Investment by Non-Residents in Business Enterprises, Law No. 26/1949 on Whaling
Succinct description of the measure:	Only the following may conduct fishing operations within the Icelandic fisheries jurisdiction: (a) Icelandic citizens and other Icelandic persons. (b) Icelandic legal persons which are wholly owned by Icelandic persons or Icelandic legal persons which: (i) are controlled by Icelandic entities; (ii) are not under more than 25 percent ownership of foreign residents calculated on the basis of share capital or initial capital. However, if the share of an Icelandic legal person in a legal person conducting fishing operations in the Icelandic fisheries jurisdiction or fish processing in Iceland is not above 5 percent, the share of the foreign resident may be up to 33 percent; (iii) are in other respects under the ownership of Icelandic citizens or Icelandic legal persons controlled by Icelandic persons.
Purpose or motivation of the measure:	The relative economic importance of the fishing industry for Iceland, with fish and fish products constituting around half of the country's foreign earnings, as well as Iceland's determination to maintain a sustainable yield from its fishing stocks. The control and surveillance regarding the preservation of Icelandic fish stocks needs to be under Icelandic jurisdiction.

ICELAND

Sector:	Fisheries
Sub-sector:	Fish Processing
Legal source or authority of the measure:	Law No. 34/1991 on Investment by Non-Residents in Business Enterprises
Succinct description of the measure:	Only the following may own or run enterprises engaged in fish processing in Iceland: (a) Icelandic citizens and other Icelandic persons. (b) Icelandic legal persons which are wholly owned by Icelandic persons or Icelandic legal persons which: (i) are controlled by Icelandic entities; (ii) are not under more than 25 percent ownership of foreign residents calculated on the basis of share capital or initial capital. However, if the share of an Icelandic legal person in a legal person conducting fishing operations in the Icelandic fisheries jurisdiction or fish processing in Iceland is not above 5 percent, the share of the foreign resident may be up to 33 percent; (iii) are in other respects under the ownership of Icelandic citizens or Icelandic legal persons controlled by Icelandic persons. Fish processing in this context is freezing, salting, drying and any other process used to initially preserve fish and fish products, including melting and meal processing. This reservation does not apply to secondary fish processing.
Purpose or motivation of the measure:	The reservation on fish processing is an integral part of retaining control in the field of fishing and whaling. The relative economic importance of the fishing industry for Iceland, with fish and fish products constituting around half of the country's foreign earnings, as well as Iceland's determination to maintain a sustained yield from its fishing stocks. The control and surveillance regarding the preservation of Icelandic fish stocks needs to be under Icelandic jurisdiction.

ICELAND

Sector:	Fisheries
Subsector:	Fish Auctioning
Legal source or authority of the measure:	Law No. 79/2005 on the Auctioning of Fish
Succinct description of the measure:	Only Icelandic citizens and Icelandic legal entities and citizens and legal entities from another member state of the European Economic Area, from another member state of the European Free Trade Association or from the Faroe Islands are allowed to own and manage enterprises engaged in fish auctioning in Iceland.
Purpose or motivation of the measure:	The reservation on fish auctioning is an integral part of retaining control in the field of fishing and whaling. The relative economic importance of the fishing industry for Iceland, with fish and fish products constituting around half of the country's foreign earnings, as well as Iceland's determination to maintain a sustained yield from its fishing stocks. The control and surveillance regarding the preservation of Icelandic fish stocks needs to be under Icelandic jurisdiction.

ICELAND

Sector:	Power and Energy sector
Sub-sector:	-
Legal source or authority of the measure:	Not applicable
Succinct description of the measure:	Iceland reserves the right to maintain or adopt any measure with respect to the power and energy sector.
Purpose or Motivation of the Measure:	Energy policy considerations

APPENDIX 3 TO ANNEX XI

RESERVATIONS
BY LIECHTENSTEIN

LIECHTENSTEIN

Sector:	All sectors
Sub-sector:	-
Legal source or authority of the measure:	Gewerbegesetz (Act on Commercial Law) of 10 December 1969, LR (Systematic Collection of Liechtenstein Law) 930.1, and relevant laws as mentioned in Article 2, paragraph 1 of that Act, as well as relevant Parliament or Government decisions.
Succinct description of the measure:	The establishment of a commercial presence by a juridical person (including branches) is subject to the requirement that no objection for reasons of national economy is made (balanced proportion of national and foreign capital; balanced ratio of foreigners in comparison with the number of resident population; balanced ratio of total number of jobs in the economy in comparison with the number of the resident population; balanced geographic situation; balanced development of the national economy, between and within the sectors).
Purpose or motivation of the measure:	To ensure a balanced development of the national economy taking into account the specific geographic situation of the country, its limited resources and the small labour market.

LIECHTENSTEIN

Sector:	All sectors
Sub-sector:	-
Legal source or authority of the measure:	Gewerbegesetz (Commercial Law Act) of 10 December 1969, LR 930.1; Personen- und Gesellschaftsrecht (Company Law) of 20 January 1926, LR 216.0
Succinct description of the measure:	The establishment of a commercial presence by an individual is subject to the requirement of prior residence during a certain period of time and of permanent domicile in Liechtenstein. The establishment of a commercial presence by a juridical person (including branches) is subject to the following requirements: At least one of the managers has to fulfil the requirements of prior residence during a certain period of time and of permanent domicile in Liechtenstein. The majority of the administrators (authorised to manage and represent the juridical person) must be residents in Liechtenstein and have either to be Liechtenstein citizens or have prior residence during a certain period of time in Liechtenstein. The general and the limited partnership have to fulfil the same conditions as corporations with limited liability (juridical person). In addition, the majority of the associates have to be Liechtenstein citizens or to have prior residence during a certain period of time in Liechtenstein. The Liechtenstein company law does not prohibit joint stock companies from foreseeing in their articles of incorporation the preclusion or limitation of the transfer of registered shares.
Purpose or motivation of the measure:	To facilitate judicial proceedings.

LIECHTENSTEIN

Sector:	All sectors
Subsector:	-
Legal source or authority of the measure:	Agreement on the European Economic Area of 2 May 1992 (EEA Agreement)
Succinct description of the measure:	Treatment accorded to subsidiaries of third-country companies formed in accordance with the law of an EEA Member State and having registered office, central administration or principal place of business within an EEA Member State is not extended to branches or agencies established in an EEA Member State by a third-country company. Treatment less favourable may be accorded to subsidiaries of third countries having only their registered office in the territory of an EEA Member State unless they show that they possess an effective and continuous link with the economy of one of the EEA Member States.
Purpose or motivation of the measure:	To ensure that benefits from the EEA Agreement are not automatically accorded to third countries.

LIECHTENSTEIN

Sector:	All sectors
Subsector:	-
Legal source or authority of the measure:	Grundverkehrsgesetz (Law on the acquisition of real estate) of 9 December 1992, LR 214.11
Succinct description of the measure:	All acquisitions of real estate are subject to authorisation. Such authorisation is granted only if an actual and proven requirement for living or business purposes is given and a certain period of residence has been completed. Non-residents are excluded from the acquisition of real estate.
Purpose or motivation of the measure:	Extreme scarcity of available land. Preservation of access to real estate for the resident population and maintenance of a balanced geographic situation.

LIECHTENSTEIN

Sector:	Power and Energy sector
Sub-sector:	-
Legal source or authority of the measure:	Not applicable
Succinct description of the measure:	Liechtenstein reserves the right to maintain or adopt any measure with respect to the power and energy sector.
Purpose or motivation of the measure:	Energy policy considerations

APPENDIX 4 TO ANNEX XI

RESERVATIONS
BY NORWAY

NORWAY

Sector:	All sectors
Sub-sector:	-
Legal source or authority of the measure:	Companies Act of 13 June 1997 No 44 (aksjeloven) and Joint Stock Public Companies Act of 13 June 1997, No 45 (allmennaksjeselskapsloven)
Succinct description of the measure:	The general manager in a joint stock company and at least half of the members of the board of directors and of the corporate assembly must be residents of Norway. The residency criteria do not apply to nationals of an EEA Member State who are permanent residents of one of these States. The Ministry of Trade and Industry may grant exemptions from this provision.
Purpose or motivation of the measure:	The resident criteria are based on reasons of jurisdiction, in order to ensure that the persons responsible for the company's affairs are accessible

NORWAY

Sector:	Power and Energy sector
Sub-sector:	-
Legal source or authority of the measure:	Not Applicable
Succinct description of the measure:	Norway reserves the right to maintain or adopt any measure with respect to the power and energy sector.
Purpose or motivation of the measure:	Energy policy considerations

NORWAY

Sector:	Repair of Transport Equipment sector
Sub-sector:	-
Legal source or authority of the measure:	Not Applicable
Succinct description of the measure:	Norway reserves the right to maintain or adopt any measure with respect to the repair of transport equipment sector.
Purpose or motivation of the measure:	To ensure the policy that any commitments in this area are adopted in Chapter 3 of the Agreement.

NORWAY

Sector:	All sectors
Sub-sector:	-
Legal source or authority of the measure:	Not applicable
Succinct description of the measure:	Norway reserves the right to apply measures inconsistent with Article 4.3 for the imposition, enforcement or collection of direct taxes in so far as such measures do not contravene any tax treaty which is in force between Hong Kong, China and Norway.
Purpose or motivation of the measure:	Taxation policy considerations

NORWAY

Sector:	Fishing and fish processing
Subsector:	-
Legal source or authority of the measure:	Regulation of Participation in Fishing Act of 26 March 1999, No 15 Economic Zone Act of 17 December 1976, No 91 The Fishing Limit Act of 17 June 1966, No 19
Succinct description of the measure:	A concession to acquire a fishing vessel or share in a company which owns such vessels can only be given to a Norwegian citizen or a body that can be defined as a Norwegian citizen. A company is regarded as having equal rights with a Norwegian citizen when its main office is situated in Norway and the majority of the Board, including the Chair of the Board, are Norwegian citizens and have stayed in the country the last two years. Norwegian citizens also have to own a minimum of 60 percent of the shares and have to be authorised to vote for at least 60 percent of the votes. Ownership to the fishing fleet shall be reserved for professional fishermen. To obtain the right to own a fishing vessel, one has to have a record of active, professional fishing on a Norwegian fishing boat for at least three of the last five years. It is prohibited for other persons than Norwegian nationals or companies, as defined above, to process, pack or transship fish, crustaceans and molluscs or parts and products of these inside the fishing limits of the Norwegian Economic Zone. This applies to catches from both Norwegian and foreign vessels. Exceptions are granted under special circumstances.
Purpose or motivation of the measure:	Resource conservation and management

NORWAY

Sector:	All sectors
Sub-sector:	-
Legal source or authority of the measure:	1. Act 9. April 1965 no. 1 regarding levy to the Norwegian Composer's fund 2. Act 12. May 1961 no. 2 relating to Copyright 3. Act 14. December 1956 no. 4 regarding levy on public performance of performing artist's performances 4. Act 4. November 1948 no. 1 relating to levy on sale of works of visual art, cf. Copyright Act section 38c
Succinct description of the measure:	Norwegian regulations for certain areas of copyright and related rights require the collective management of rights through a Norwegian organisation, hence an investor holding an intellectual property right cannot exploit this himself or through a foreign representative. Certain collective copyright and neighbouring rights' management systems entail channelling of royalties through cultural collective funds and grants, by organisations approved by Norwegian authorities and with funds reserved for artists living and working in Norway. 1. A percentage of royalties for all authors of music as well as royalties for mechanical rights are reserved for fund supporting composers working in Norway. 2. There is a compulsory licence for public performance of sound recordings: these royalties can only be collected by approved Norwegian organisation GRAMO, and are transferred to Rome Convention right holders in cases of reciprocal agreement between organisations. 3. Public performance of non-protected sound recordings entails payment of a levy to a collective cultural fund for Norwegian artists and producers. 4. A percentage of the sale price of works of visual art is reserved for fund supporting Norwegian artists. EEA-based artists are entitled to remuneration when resale of an original work of art exceeds a certain price level.
Purpose or motivation of the measure:	To preserve and promote linguistic and cultural diversity in Norway.

APPENDIX 5 TO ANNEX XI

RESERVATIONS
BY SWITZERLAND

SWITZERLAND

Sector:	All sectors
Sub-sector:	-
Legal source or authority of the measure:	Federal Act of 30 March 1911 (Code of Obligations) supplementing the Swiss Civil Code (Systematic Collection of Federal Laws and Regulations (RS 220)
Succinct description of the measure:	For a “corporation” (société anonyme/ Aktiengesellschaft), a “corporation with unlimited partners” (société en commandite par actions/ Kommanditaktiengesellschaft), a “limited partnership” (société à responsabilité limitée/ Gesellschaft mit beschränkter Haftung) and a “cooperative” (société cooperative/ Genossenschaft) at least one member of the governing body of the legal person or another person with the right to represent the legal person must be domiciled in Switzerland. A foreign legal person may also establish one or several branch offices in Switzerland. At least one person of the branch office with the right to represent the branch office must be domiciled in Switzerland.
Purpose or motivation of the measure:	To facilitate judicial proceedings.

SWITZERLAND

Sector:	All sectors
Sub-sector:	-
Legal source or authority of the measure:	Federal Act of 16 December 1983 on the Acquisition of Real Estate by Persons Abroad (RS 211.412.41)
Succinct description of the measure:	Acquisition of real estate is subject to authorisation by the relevant cantonal authority when the acquirer does not use the property to operate a permanent establishment.
Purpose or motivation of the measure:	Scarcity of available land.

SWITZERLAND

Sector:	Energy sector
Sub-sector:	-
Legal source or authority of the measure:	Not applicable
Succinct description of the measure:	Switzerland reserves the right to maintain or adopt any measure with respect to the energy sector.
Purpose or motivation of the measure:	Energy policy considerations and national security.

APPENDIX 1 TO ANNEX X¹

FIRST LIST OF RESERVATIONS OF HONG KONG, CHINA

1. Where appropriate, non-conforming measures are referenced to the Provisional Central Product Classification (“CPC”) as set out in Statistical Office of the United Nations Statistical Papers, Series M, No. 77, Provisional Central Product Classification, 1991 (“CPC code”) and on the basis of the Services Sectoral Classification List WTO document MTN.GNS/W/120.
2. This List sets out, pursuant to paragraph 1(a) of Article 3.17 of the Agreement, Hong Kong, China’s existing measures that are not subject to some or all of the obligations imposed by:
 - (a) Article 3.4 (Most-Favoured-Nation Treatment);
 - (b) Article 3.5 (Market Access); or
 - (c) Article 3.6 (National Treatment).
3. Each entry in this List sets out the following elements:
 - (a) **Sector** refers to the sector in which the entry is made;
 - (b) **Industry Classification** refers, for the purpose of clarity, and where applicable, to the activity covered by the entry according to the CPC code;
 - (c) **Obligations Concerned** specifies the obligation(s) referred to in Paragraph 2;
 - (d) **Measures** identify measures for which the entry is made. A measure cited in the Measures element:
 - (i) means the measure as amended, continued, or renewed, and as in force at the date of entry into force of the Agreement; and
 - (ii) includes any subordinate measure adopted or maintained under the authority of and consistent with the measure; and
 - (e) **Description** sets out the non-conforming measure to which the entry applies.
4. The following terms used in the Description element shall have the following meanings:

¹ As amended by Joint Committee Decision No. 7 of 2017 (31 October 2017) which entered into force on 31 October 2017.

- (a) “Mode 1” means the supply of a service from the Area of a Party into the Area of another Party
- (b) “Mode 2” means the supply of a service in the Area of a Party to the service consumer of another Party
- (c) “Mode 3” means the supply of a service by a service supplier of a Party, through commercial presence in the Area of another Party.

5. In accordance with paragraph 1 (a) of Article 3.17 of the Agreement, the Articles of the Agreement specified in the Obligations Concerned element of an entry do not apply to the measures as described in the Description element of that entry.

6. Where an inconsistency arises in relation to the interpretation of an entry, the Description element of the entry shall prevail to the extent of the inconsistency.

I-HKC-1

Sector	Business Services Professional Services Accounting, Auditing and Book Keeping Services
Industry Classification	CPC 862 Accounting, Auditing and Book Keeping Services
Obligations Concerned	Market Access (Article 3.5) National Treatment (Article 3.6)
Measures	Section 29 of the Professional Accountants Ordinance (Cap. 50)
Description	Provision of statutory auditing services is limited to corporate practices and natural persons licenced as certified public accountants (practising), either as sole proprietors or in partnership.

I-HKC-2

Sector	Business Services Professional Services Architectural Services
Industry Classification	CPC 8671 Architectural Services
Obligations Concerned	National Treatment (Article 3.6)
Measures	Section 13 of the Architects Registration Ordinance (Cap. 408)
Description	To be registered as a Registered Architect, a person has to have one year's relevant experience in Hong Kong, China before the date of his application for registration; and to be ordinarily resident in Hong Kong, China.

I-HKC-3

Sector	Business Services Professional Services Engineering Services Integrated Engineering Services	
Industry Classification	CPC 8672	Engineering Services
	CPC 8673	Integrated Engineering Services
Obligations Concerned	National Treatment (Article 3.6)	
Measures	Section 12 of the Engineers Registration Ordinance (Cap. 409)	
Description	To be registered as a Registered Professional Engineer, a person has to have one year's relevant experience in Hong Kong, China before the date of his application for registration; and to be ordinarily resident in Hong Kong, China.	

I-HKC-4

Sector	Business Services Professional Services Urban Planning and Landscape Architectural Services
Industry Classification	CPC 8674 Urban Planning and Landscape Architectural Services
Obligations Concerned	National Treatment (Article 3.6)
Measures	Section 12 of the Planners Registration Ordinance (Cap. 418) Section 12 of the Landscape Architects Registration Ordinance (Cap. 516)
Description	To be registered as a Registered Professional Planner, a person has to have one year's relevant experience in Hong Kong, China before the date of his application for registration; and to be ordinarily resident in Hong Kong, China. To be registered as a Registered Landscape Architect, a person has to have one year's relevant experience in Hong Kong, China before the date of his application for registration; and to be ordinarily resident in Hong Kong, China.

I-HKC-5

Sector	Business Services	
	Rental/Leasing Services without Operators relating to Ships	
Industry Classification	Transport Services	
	Maritime Transport Services	
	CPC 83103	Rental/Leasing Services without Operators relating to Ships
	CPC 7211	Passenger Transportation
	CPC 7212	Freight Transportation
Obligations Concerned	CPC 7213	Rental of Vessels with Crew
	National Treatment (Article 3.6)	
Measures	Section 23B of the Inland Revenue Ordinance (Cap. 112)	
Description	Income derived from international operation of ships registered in the Hong Kong Shipping Register is exempted from Hong Kong, China's profit tax.	

I-HKC-6

Sector	Business Services Other Business Services Services incidental to Fishing
Industry Classification	CPC 882 Services incidental to Fishing
Obligations Concerned	Market Access (Article 3.5) National Treatment (Article 3.6)
Measures	Section 12 of the Merchant Shipping (Local Vessel) Ordinance (Cap. 548)
Description	Fishing vessels must be certificated. To be certificated as a Local Vessel Class III “fishing vessel” plying within the waters of Hong Kong, China, if the owner of the vessel is an individual, the owner shall be an individual who holds a valid Hong Kong Identity Card and who is ordinarily resident in Hong Kong, China.

I-HKC-7

Sector	Business Services Other Business Services Services incidental to Manufacturing
	Transport Services Services auxiliary to all Modes of Transport Storage and Warehousing Services
Industry Classification	CPC 884+885 Services incidental to Manufacturing except for 88442
	CPC 742 Storage and Warehousing Services
Obligations Concerned	Market Access (Article 3.5) National Treatment (Article 3.6)
Measures	Sections 7 & 8A of the Dutiable Commodities Ordinance (Cap. 109) Regulation 22 of the Dutiable Commodities Regulations (Cap. 109A)
Description	To apply for a licence for the manufacture or storage of dutiable commodities under the Dutiable Commodities Ordinance (Cap. 109), the applicant has to appoint a responsible person to be held responsible for the running and management of the premises concerned. The responsible person has to be a Hong Kong resident holding a valid Hong Kong Identity Card.

I-HKC-8

Sector	Business Services Other Business Services Services incidental to Manufacturing	
Industry Classification	CPC 8847	Manufacture of Rubber and Plastics Products, on a fee or contract basis
	CPC 885	Services incidental to the Manufacture of Metal Products, Machinery and Equipment
Obligations Concerned	Market Access (Article 3.5) National Treatment (Article 3.6)	
Measures	Sections 5(1), 5(2)(c)(v) and 30 of the Prevention of Copyright Piracy Ordinance (Cap. 544)	
Description	To apply for a licence for the manufacture of optical discs or stampers under the Prevention of Copyright Piracy Ordinance (Cap. 544), the applicant has to be a Hong Kong resident holding a valid Hong Kong Identity Card.	

I-HKC-9

Sector	Business Services Other Business Services Related Scientific and Technical Consulting Services
Industry Classification	CPC 8675 Related Scientific and Technical Consulting Services
Obligations Concerned	Market Access (Article 3.5) National Treatment (Article 3.6)
Measures	Section 12 of the Land Survey Ordinance (Cap. 473) Section 12 of the Surveyors Registration Ordinance (Cap. 417)
Description	Certain statutory land boundary survey services are required to be carried out by Authorised Land Surveyors registered under the Land Survey Ordinance (Cap. 473). To be qualified for registration as an Authorised Land Surveyor, a person has to attain one year local land boundary survey experience in Hong Kong, China. To be registered as a Registered Professional Surveyor under the Surveyors Registration Ordinance (Cap. 417), a person has to have one year's relevant experience in Hong Kong, China before the date of his application for registration; and to be ordinarily resident in Hong Kong, China.

I-HKC-10

Sector	Construction and Related Engineering Services ²
Industry Classification	CPC 513 General Construction Work for Civil Engineering
Obligations Concerned	Market Access (Article 3.5) National Treatment (Article 3.6)
Measures	Section 4 of the Buildings Ordinance (Cap. 123) Regulation 3 of the Building (Administration) Regulations (Cap. 123A) Section 13 of the Architects Registration Ordinance (Cap. 408) Section 12 of the Engineers Registration Ordinance (Cap. 409) Section 12 of the Surveyors Registration Ordinance (Cap. 417) Part I of the Buildings Ordinance (Cap. 123)
Description	Non-exempted construction and building works shall be carried out by statutory building agents, including Authorised Persons (“AP”), Registered Structural Engineers (“RSE”), Registered Geotechnical Engineers (“RGE”), Registered Contractors (“RC”) and Technically Competent Persons (“TCP”). To register as an AP, RSE or RGE, a person shall be a Registered Architect (“RA”), Registered Professional Engineer (“RPE”) in the relevant disciplines or Registered Professional Surveyor (“RPS”) and have one year’s relevant professional experience in Hong Kong, China. To register as a RA or RPE in the relevant disciplines or RPS, a person shall be ordinarily resident in Hong Kong, China. To register as an RC, the key personnel of the applicant (which can be a corporation) shall possess adequate working experience, some of which has to be gained in Hong Kong, China. To be qualified as a TCP, a person shall possess site experience in Hong Kong, China.

² For railway construction and project implementation services, please refer to II-HKC-25 under Hong Kong, China’s Second List of Reservations.

Prescribed inspection and prescribed repair to buildings and windows shall be carried out by statutory building agents, including Registered Inspectors (“RI”), Qualified Persons (“QP”) and RC.

To register as an RI, a person shall be an RA, RPE in the relevant disciplines or RPS in the relevant divisions and shall possess adequate relevant working experience, some of which has to be gained in Hong Kong, China.

To be qualified to act as a QP, a person shall be an AP or RSE or RI or qualified RC who shall possess relevant experience in Hong Kong, China as stated above.

I-HKC-11

Sector	Financial Services Insurance and insurance-related services • Direct Insurance (including co-insurance): Life and Non-life
Industry Classification	
Obligations Concerned	Market Access (Article 3.5) National Treatment (Article 3.6)
Measures	Sections 2(3), 6(1), 7, 8(3)(e), 66(3)(a) of the Insurance Ordinance (Cap. 41) Paragraph 3.5(a) of the Guideline 1 - Authorisation Guideline issued by the Insurance Authority pursuant to Section 133(1) of the Insurance Ordinance (Cap. 41)
Description	With respect to Modes 1 and 2, if the supply of the service involves solicitation of business or marketing by the service supplier, only an incorporated company which maintains an office in Hong Kong, China as its place of business and authorised by the Insurance Authority, or an association of underwriters which maintains an office in Hong Kong, China as its place of business and approved by the Insurance Authority is permitted to carry on insurance business in or from Hong Kong, China. In the case of the former, the company has to take the form of a subsidiary, branch or representative office, although insurance business may not be carried out through a representative office. The chief executive appointed by the authorised insurer shall normally reside in Hong Kong, China. With respect to Mode 1, non-resident insurance companies cannot supply insurance services (including maritime, aviation and transport (MAT) insurance) through an intermediary authorised in Hong Kong, China if the supply of the service involves solicitation of business or marketing by the service supplier. It is only in circumstances where, if an insurance broker is requested by his client or as a result of the absence of suitable insurance products available locally, then the insurance broker can refer or arrange a contract of insurance with an insurer authorised in other jurisdiction but not authorised in Hong Kong, China. In that case, the insurance broker shall advise his client of the unauthorised status of the insurer and obtain a written acknowledgement of the fact from the client.

With respect to Mode 3, only an incorporated company

authorised by the Insurance Authority, or an association of underwriters approved by the Insurance Authority is permitted to carry on insurance business. In the case of the former, commercial presence must take the form of a subsidiary, branch or representative office, although insurance business may not be carried out through a representative office. The chief executive appointed by the authorised insurer shall normally reside in Hong Kong, China.

A representative office is considered a promotion (for non-business purpose only) and liaison office and can only serve some auxiliary functions such as conduct market research, collect business statistics and establish contacts with prospective customers and partners. It cannot conduct any profit generating business activities.

I-HKC-12

Sector	Financial Services Insurance and insurance-related services • Reinsurance and retrocession
Industry Classification	
Obligations Concerned	Market Access (Article 3.5) National Treatment (Article 3.6)
Measures	Sections 2(3), 6(1), 7, 8(3)e, 51(b) and 66(3)(a) of the Insurance Ordinance (Cap. 41) Item 1(1), Part 1 of Schedule 3 to the Insurance Ordinance (Cap. 41) Paragraph 3.5(a) of the Guideline 1 - Authorisation Guideline issued by the Insurance Authority pursuant to Section 133(1) of the Insurance Ordinance (Cap. 41)
Description	With respect to Modes 1 and 2, (i) the insurance company must be a company incorporated outside Hong Kong, China and has no agent nor place of business in Hong Kong, China; or (ii) for service suppliers which do not meet the foregoing conditions, if the supply of the service involves solicitation of business or marketing by the service supplier, only an incorporated company which maintains an office in Hong Kong, China as its place of business and authorised by the Insurance Authority, or an association of underwriters which maintains an office in Hong Kong, China as its place of business approved by the Insurance Authority is permitted to carry on insurance business in or from Hong Kong, China. In the case of the former, the company has to take the form of a subsidiary, branch or representative office, although insurance business may not be carried out through a representative office. The chief executive appointed by the authorised insurer shall normally reside in Hong Kong, China. With respect to Mode 3, only an incorporated company authorised by the Insurance Authority or an association of underwriters approved by the Insurance Authority is permitted to carry on insurance business. In the case of the former, commercial presence must take the form of a subsidiary, branch or representative office, although insurance business may not be carried out through a

representative office. The chief executive appointed by the authorised insurer shall normally reside in Hong Kong, China.

I-HKC-13

Sector	Financial Services Insurance and insurance-related services • Insurance intermediation, such as brokerage and agency • Services auxiliary to insurance, such as consultancy, actuarial, risk assessment and claim settlement services
Industry Classification	
Obligations Concerned	Market Access (Article 3.5) National Treatment (Article 3.6)
Measures	Sections 65, 69, 70 of the Insurance Ordinance (Cap. 41) Paragraph 3(A) of the “Guideline on Minimum Requirements for Insurance Brokers” issued by the Insurance Authority pursuant to Sections 69(2) and 70(2) of the Insurance Ordinance (Cap. 41)
Description	With respect to Modes 1 and 2, if the supply of the services involves solicitation of business or marketing by the service supplier, the service supplier must be an insurance broker authorised by the Insurance Authority, a member of an approved body of insurance brokers or an appointed insurance agent. To be authorised as an insurance broker by the Insurance Authority or to be admitted as a member of an approved body of insurance brokers, a person has to maintain a place of business in Hong Kong, China. To be admitted as a member of an approved body of insurance brokers, the person has to be an incorporated company with a registered business in Hong Kong, China. A chief executive of an insurance broker has to be a Hong Kong Permanent Resident or Hong Kong Resident whose employment visa conditions do not restrict him from being engaged in insurance broking business. A responsible officer or technical representative of an insurance agency company and an individual agent must be a Hong Kong Permanent Resident or Hong Kong Resident whose employment visa conditions do not restrict him from acting as an insurance agent.

I-HKC-14

Sector	Financial Services Banking and other financial services (excluding insurance) • Acceptance of deposits and other repayable funds from the public
Industry Classification	
Obligations Concerned	Market Access (Article 3.5) National Treatment (Article 3.6)
Measures	Sections 12 and 74 of the Banking Ordinance (Cap. 155) Paragraph 13 of the Seventh Schedule to the Banking Ordinance (Cap. 155) Sections 11 and 12 of the Banking Ordinance (Cap. 155); and paragraph 2.14 of the Guide to Authorisation issued by the Hong Kong Monetary Authority Administrative Requirement of the Hong Kong Monetary Authority including Chapter 9 on Authorisation of Virtual Banks in the Guide to Authorisation issued by the Hong Kong Monetary Authority in September 2002
Description	All authorised institutions (i.e. licensed banks, restricted licence banks and deposit-taking companies) shall maintain a physical presence in Hong Kong, China. They must appoint a chief executive, and not less than one alternative chief executive, each of whom shall be an individual and ordinarily resident in Hong Kong, China. An overseas bank seeking to establish a locally incorporated full licensed bank must: (i) have maintained a locally incorporated restricted licence bank or deposit taking company (or any combination thereof) in Hong Kong, China for at least three continuous years before they can apply for approval from the Hong Kong Monetary Authority for upgrading to a full licensed bank; or (ii) have maintained a branch in Hong Kong, China for not less than three continuous years before they can apply for approval from the Hong Kong Monetary Authority to subsidiarise the operation of the branch by transferring the branch operation to a locally incorporated company. In the case of an overseas bank seeking to establish a representative office in Hong Kong, China, such offices are prohibited from taking deposits and undertaking banking business in general.

I-HKC-15

Sector	Financial Services Banking and other financial services (excluding insurance) • Trading for own account or for account of customers, whether on an exchange, in an over-the-counter market or otherwise the following: - money market instruments (cheques, bills, certificate of deposits, etc.) - foreign exchange - derivative products including futures and options - exchange rate and interest rate instruments, including products such as swaps, forward rate agreements etc. - transferable securities
Industry Classification	
Obligations Concerned	Market Access (Article 3.5) National Treatment (Article 3.6)
Measures	Securities and Futures Ordinance (Cap. 571) Rules of recognised exchange companies approved under the Securities and Futures Ordinance
Description	With respect to Mode 3, • only corporations incorporated in Hong Kong, China may become members of exchange companies recognised under the Securities and Futures Ordinance (in addition, natural persons born in Hong Kong, China or resident in Hong Kong, China for five of the preceding seven years or partnerships composed of such persons may also become members of the Stock Exchange of Hong Kong Limited³); • for dealing in securities or commodities futures, there is a residence requirement in Hong Kong, China in respect of a sole proprietor, or, in the case of a partnership or company, in respect of at least one partner or director, who is registered as a dealer.

³ The residence requirement for memberships can be waived for persons of good reputation with substantial experience of dealing in securities.

I-HKC-16

Sector	Financial Services Banking and other financial services (excluding insurance) • 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
Industry Classification	
Obligations Concerned	National Treatment (Article 3.6)
Measures	Securities and Futures Ordinance (Cap. 571)
Description	With respect to Mode 3, if registration as a dealer is required, as it is in the case of public issues, the limitations as for dealers in I-HKC-15 shall apply.

I-HKC-17

Sector	Tourism and Travel Related Services
Industry Classification	CPC 7471 Travel Agencies and Tour Operators Services
Obligations Concerned	Market Access (Article 3.5)
Measures	Section 11 of the Travel Agents Ordinance (Cap. 218) Travel Agents Licence Licencing Guide issued by the Travel Agents Registry
Description	With respect to Mode 3, only a company may operate tours and open branch offices ⁴ .

⁴ “Company” means a company incorporated in Hong Kong, China under the Companies Ordinance, or a company incorporated outside Hong Kong, China which establishes a place of business and registered as such in Hong Kong, China under the Companies Ordinance.

APPENDIX 1 TO ANNEX X

SECOND LIST OF RESERVATIONS OF HONG KONG, CHINA

1. Where appropriate, measures are referenced to the Provisional Central Product Classification (“CPC”) as set out in Statistical Office of the United Nations Statistical Papers, Series M, No. 77, Provisional Central Product Classification, 1991 (“CPC code”) and on the basis of the Services Sectoral Classification List WTO document MTN.GNS/W/120.
2. This List sets out, pursuant to paragraph 1(b) of Article 3.17 of the Agreement, the specific sectors, sub-sectors, or activities for which Hong Kong, China may maintain existing, or adopt new or more restrictive, measures that do not conform with obligations imposed by:
 - (a) Article 3.4 (Most-Favoured-Nation Treatment);
 - (b) Article 3.5 (Market Access); or
 - (c) Article 3.6 (National Treatment).
3. Each entry in this List sets out the following elements:
 - (a) **Sector** refers to the sector in which the entry is made;
 - (b) **Industry Classification** refers, for the purpose of clarity, and where applicable, to the activity covered by the entry according to the CPC code;
 - (c) **Obligations Concerned** specifies the obligation(s) referred to in Paragraph 2; and
 - (d) **Description** sets out the nature and/or scope of the measures in the sectors, sub-sectors or activities covered by the entry.
4. The following terms used in the Description element shall have the following meanings:
 - (a) “Mode 1” means the supply of a service from the Area of a Party into the Area of another Party
 - (b) “Mode 2” means the supply of a service in the Area of a Party to the service consumer of another Party
 - (c) “Mode 3” means the supply of a service by a service supplier of a Party, through commercial presence in the Area of another Party.
5. In accordance with paragraph 1(b) of Article 3.17 of the Agreement, the Articles of the Agreement specified in the Obligations Concerned element of an entry do not

apply to the sectors, sub-sectors, and activities as described in the Description element of that entry.

6. Where an inconsistency arises in relation to the interpretation of an entry, the Description element of the entry shall prevail to the extent of the inconsistency.

II-HKC-1

Sector All Sectors

Industry Classification

Obligations Concerned Market Access (Article 3.5)
National Treatment (Article 3.6)

Description Hong Kong, China reserves the right to adopt or maintain any measure with respect to:

- the provision of public law enforcement, ambulance services, correctional services and fire fighting services; and
- the following, to the extent that they are social services established for a public purpose:
 - health;
 - education;
 - housing;
 - training;
 - transport;
 - public utilities;
 - social security; and
 - social welfare.

II-HKC-2

Sector All Sectors

Industry Classification

Obligations Concerned Market Access (Article 3.5)
National Treatment (Article 3.6)

Description With respect to subsidies, including government-supported loans, guarantees and insurance, or to any conditions attached to the receipt or continued receipt of such subsidies, whether or not such subsidies are offered exclusively to domestic services, service consumers or service suppliers, Hong Kong, China reserves the right to adopt or maintain any measure that is not inconsistent with Hong Kong, China's obligations under *GATS*.

II-HKC-3

Sector All Sectors

Industry Classification

Obligations Concerned Market Access (Article 3.5)
National Treatment (Article 3.6)

Description Hong Kong, China reserves the right to adopt or maintain any measure affecting the presence of natural persons and supply of service through such presence in a manner not inconsistent with the commitments made in Hong Kong, China's List of Commitments on Movement of Natural Persons under this Annex.

II-HKC-4

Sector	Business Services Professional Services
Industry Classification	CPC 861 Legal Services CPC 9312 Medical and Dental Services CPC 93191 Services provided by Midwives, Nurses, Physiotherapists and Para-medical Personnel Other Professional Services*
Obligations Concerned	Market Access (Article 3.5) National Treatment (Article 3.6)
Description	Hong Kong, China reserves the right to adopt or maintain any measure with respect to the services as set out above.

* This refers to the services covered by item k. of sub-sector “A. Professional Services” under the Sector “Business Services” of MTN.GNS/W/120.

II-HKC-5

Sector	Business Services Research and Development Services
Industry Classification	CPC 851-853 Research and Development Services
Obligations Concerned	Market Access (Article 3.5) National Treatment (Article 3.6)
Description	Hong Kong, China reserves the right to adopt or maintain any measure with respect to research and development services.

II-HKC-6

Sector	Business Services Rental/Leasing Services without Operators (except relating to ships)	
Industry Classification	CPC 83104	Rental/Leasing Services without Operators relating to Aircraft
	CPC 83101, 83102 & 83105	Rental/Leasing Services without Operators relating to other Transport Equipment
	CPC 832	Other Rental/Leasing Services without Operators
Obligations Concerned	Market Access (Article 3.5) National Treatment (Article 3.6)	
Description	Hong Kong, China reserves the right to adopt or maintain any measure with respect to: 1. rental/leasing services without operators relating to aircraft (CPC 83104) and other land transport equipment (CPC 83105); 2. rental/leasing services without operators concerning private cars (CPC 83101) and goods transport vehicles (CPC 83102) (except for Mode 3 and for the Market Access obligation for Mode 2); 3. other rental / leasing services without operators (CPC 832); and 4. rental / leasing services without operators relating to air transport.	

II-HKC-7

Sector	Business Services Other Business Services	
Industry Classification	CPC 87909	Other Business Services not elsewhere classified
Obligations Concerned	Market Access (Article 3.5) National Treatment (Article 3.6)	
Description	Hong Kong, China reserves the right to adopt or maintain any measure with respect to the services as set out above.	

II-HKC-8

Sector	Energy Business Services Manufacturing Distribution Services Storage and Warehouse Services
Industry Classification	
Obligations Concerned	Market Access (Article 3.5) National Treatment (Article 3.6)
Description	Hong Kong, China reserves the right to adopt or maintain any measure with respect to energy services, except in respect of the following services (other than those relating to electricity): (a) services incidental to mining (CPC 883 and CPC 5115); (b) commission agents' services – limited to sales on a fee or contract basis of fuels, metals, ores (part of CPC 62113); (c) wholesale trade services of solid, liquid and gaseous fuels and related products (CPC 62271); (d) retail sales of fuel oil, bottled gas, coal and wood (CPC 63297); and (e) bulk storage services of liquids or gases (except in respect of air and rail) (part of CPC 74220). Activities in the energy services include the importation, generation or manufacture, transmission, distribution, storage, supply, sale and use of energy.

II-HKC-9

Sector	Communication Services Postal Services
Industry Classification	CPC 7511 Postal Services
Obligations Concerned	Market Access (Article 3.5) National Treatment (Article 3.6)
Description	Hong Kong, China reserves the right to adopt or maintain any measure with respect to postal services.

II-HKC-10

Sector	Communication Services Courier Services
Industry Classification	CPC 7512 Courier Services
Obligations Concerned	Market Access (Article 3.5) National Treatment (Article 3.6)
Description	Hong Kong, China reserves the right to adopt or maintain any measure with respect to courier services, except for Mode 3 and Market Access obligation for Mode 2 (limited to the provision of services on a fee or contract basis for the delivery of documents and parcels, but excluding services reserved to the Post Office under the Post Office Ordinance).

II-HKC-11

Sector	Communication Services Telecommunication Services
Industry Classification	(a) Voice Telephone Services (b) Packet-switched Data Transmission Services (c) Circuit-switched Data Transmission Services (d) Telex Services (e) Telegraph Services (f) Facsimile Services (g) Private Leased Circuit Services (o) Other
Obligations Concerned	Market Access (Article 3.5) National Treatment (Article 3.6)
Description	Hong Kong, China reserves the right to adopt or maintain any measure with respect to:- 1. services specified in categories (a), (b), (c) and (f) above for international services, (except for resale based for which Hong Kong, China reserves the right of, in respect of Mode 3, not allowing public external telephone service⁵, restricting connection to the public-switched telephone network (PSTN) at the Hong Kong end for self-provision of external satellite circuits and virtual private network service and not allowing gateway station for mobile satellite traffic for mobile satellite service.); 2. services specified in categories (d), (e) and (g) above for international services; 3. services specified in category (o) above for local services, except for: (i) mobile radio telephone services including Cellular and Personal Communications Services; (ii) mobile data services; and (iii) radio paging services; 4. services specified in category (o) above for international services, except for: (i) self-provision of external satellite circuits for a company if the messages originated from or received at the Hong Kong end are intended for the company, its holding, subsidiary or affiliated

⁵ "External telephone services" only include person to person voice communications with places outside Hong Kong, China.

companies; or for an organisation if the messages originated from or received at the Hong Kong end are intended for the common business or activities of the organisation;

(ii) virtual private network service (resale-based only); and

(iii) mobile satellite service,

for which (sub-paragraphs (i)-(iii) in this paragraph) Hong Kong, China reserves the right of, in respect of Mode 3, not allowing public external telephone service⁶, restricting connection to the PSTN at the Hong Kong end for self-provision of external satellite circuits and virtual private network service and not allowing gateway station for mobile satellite traffic for mobile satellite service.

⁶ “External telephone services” only include person to person voice communications with places outside Hong Kong, China.

II-HKC-12

Sector	Communication Services Audiovisual Services
Industry Classification	CPC 9612 Motion Picture Projection Services
Obligations Concerned	Market Access (Article 3.5) National Treatment (Article 3.6)
Description	Hong Kong, China reserves the right to adopt or maintain any measure with respect to motion picture projection services, except for motion picture projection services in cinema (part of CPC 96121)

II-HKC-13

Sector	Communication Services Audiovisual Services	
Industry Classification	CPC 9613	Radio and Television Services
	CPC 7524	Radio and Television Transmission Services
		Other Audiovisual Services*
Obligations Concerned	Market Access (Article 3.5) National Treatment (Article 3.6)	
Description	Hong Kong, China reserves the right to adopt or maintain any measure with respect to the services as set out above.	

* This refers to the services covered by item f. of sub-sector “D. Audiovisual services” under the sector “Communication Services” of MTN.GNS/W/120.

II-HKC-14

Sector	Communication Services Other Communication Services*
Industry Classification	
Obligations Concerned	Market Access (Article 3.5) National Treatment (Article 3.6)
Description	Hong Kong, China reserves the right to adopt or maintain any measure with respect to other communication services.

* This refers to the services covered by sub-sector “E. Other” under the sector “Communication Services” of MTN.GNS/W/120.

II-HKC-15

Sector	Construction and Related Engineering Services ⁷
Industry Classification	
Obligations Concerned	Market Access (Article 3.5) National Treatment (Article 3.6)
Description	Hong Kong, China reserves the right to adopt or maintain any measure with respect to construction and related engineering services, except for: (a) general construction work for civil engineering (CPC 513) to which I-HKC-10 applies; (b) building completion and finishing work – interior design services: limited to specialised consulting services related to the post-construction design and fitting out of interior living and working spaces (Part of CPC 517) (other than Mode 1); and (c) other – project management services: limited to the supervision and coordination of construction projects but do not cover engineering or architectural services (other than Mode 1).

⁷ For railway construction and project implementation services, please refer to II-HKC-25 under Hong Kong, China's Second List of Reservations.

II-HKC-16

Sector	Distribution Services
Industry Classification	Other Distribution Services*
Obligations Concerned	Market Access (Article 3.5) National Treatment (Article 3.6)
Description	Hong Kong, China reserves the right to adopt or maintain any measure with respect to other distribution services.

* This refers to the services covered by sub-sector “E. Other” under the sector “Distribution Services” of MTN.GNS/W/120.

II-HKC-17

Sector	Educational Services
Industry Classification	
Obligations Concerned	Market Access (Article 3.5) National Treatment (Article 3.6)
Description	Hong Kong, China reserves the right to adopt or maintain any measure with respect to educational services.

II-HKC-18

Sector Financial Services

Industry Classification

Obligations Concerned Market Access (Article 3.5)
National Treatment (Article 3.6)

Description Hong Kong, China reserves the right to adopt or maintain any measure with respect to financial services, except for:

- (a) direct insurance (including co-insurance): life and non-life (other than Mode 1 and Mode 2 with respect to statutory insurances which require such insurances to be purchased from an insurer authorised in Hong Kong, China);
- (b) reinsurance and retrocession;
- (c) insurance intermediation, such as brokerage and agency;
- (d) services auxiliary to insurance, such as consultancy, actuarial, risk assessment and claim settlement services;
- (e) acceptance of deposits and other repayable funds from the public (other than Mode 1);
- (f) lending of all types, including consumer credit, mortgage credit, factoring and financing of commercial transaction (other than Mode 1);
- (g) financial leasing (other than the National Treatment obligation for Mode 1 and Mode 2);
- (h) all payment and money transmission services, including credit, charge and debit cards, travellers cheques and bankers drafts (other than Mode 1);
- (i) guarantees and commitments (other than the National Treatment obligation for Mode 1 and Mode 2);
- (j) trading for own account or for account of customers, whether on an exchange, in an over-the-counter market or otherwise the following (other than Mode 1, and the National Treatment obligation for Mode 2);
 - money market instruments (cheques, bills, certificate of deposits, etc.)

- foreign exchange
 - derivative products including futures and options
 - exchange rate and interest rate instruments, including products such as swaps, forward rate agreements etc.
 - transferable securities
- (k) 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 (other than Mode 1 and the National Treatment obligation for Mode 2);
- (l) asset management, such as cash or portfolio management, all forms of collective investment management, pension fund management, custodial depository and trust services (other than Mode 1, and the National Treatment obligation for Mode 2);
- (m) advisory and other auxiliary financial services on all the activities listed in subparagraph 5(a)(v) to (xv) of the GATS Annex on Financial Services, including credit reference and analysis, investment and portfolio research and advice, advice on acquisitions and on corporate restructuring and strategy (other than the Market Access obligation for Mode 1 in respect of commodity trading and investment advisory service and the National Treatment obligation for Mode 1 and Mode 2); and
- (n) provision and transfer of financial information, and financial data processing and related software by providers of other financial services (other than the National Treatment obligation for Mode 1 and Mode 2)

to which I-HKC-11, I-HKC-12, I-HKC-13, I-HKC-14, I-HKC-15 and I-HKC-16 apply respectively.

For the Mode 1 and Mode 2 mentioned in sub-paragraphs (g), (i) - (n) above, Hong Kong, China reserves the right not to allow a service supplier from the Area of another Party to solicit business or to conduct marketing in Hong Kong, China.

II-HKC-19

Sector	Health Related and Social Services
Industry Classification	
Obligations Concerned	Market Access (Article 3.5) National Treatment (Article 3.6)
Description	Hong Kong, China reserves the right to adopt or maintain any measure with respect to health related and social services, except for: (a) Mode 2 in respect of hospital services (CPC 93110); and (b) Mode 2 in respect of other human health services not elsewhere classified (CPC 93199).

II-HKC-20

Sector Tourism and Travel Related Services

Industry Classification

Obligations Concerned Market Access (Article 3.5)
National Treatment (Article 3.6)

Description Hong Kong, China reserves the right to adopt or maintain any measure with respect to tourism and travel related services, except for:

- (a) hotel services (CPC 6411);
- (b) other lodging services (limited to CPC 64191, CPC 64192, CPC 64194 and CPC 64195 only) (other than Mode 1 and the National Treatment obligation for Mode 2);
- (c) restaurant and catering services (CPC 642 and CPC 643) (other than Mode 1 and the National Treatment obligation for Mode 2); and
- (d) travel agencies and tour operator services (limited to the business of obtaining for clients carriage and/or accommodation outside Hong Kong, China and the provision of related services such as the furnishing of travel information, advice and planning (part of CPC 7471)), to which I-HKC-17 applies.

II-HKC-21

Sector	Recreational, Cultural and Sporting Services (other than audiovisual services)
Industry Classification	
Obligations Concerned	Market Access (Article 3.5) National Treatment (Article 3.6)
Description	Hong Kong, China reserves the right to adopt or maintain any measure with respect to recreational, cultural and sporting services, except for: (a) entertainment services (CPC 9619) (other than services provided by authors, composers, sculptors, entertainers and other individual artists (CPC 96192), circus, amusement park and similar attraction services (CPC 96194) and other entertainment services n.e.c. (CPC 96199)); and (b) library and archives services (CPC 9631) (other than Mode 1 and the National Treatment obligation for Mode 2).

II-HKC-22

Sector	Transport Services Maritime Transport Services
Industry Classification	
Obligations Concerned	Market Access (Article 3.5) National Treatment (Article 3.6)
Description	Hong Kong, China reserves the right to adopt or maintain any measure with respect to: 1. cabotage⁸ transport; and 2. provision of certain port services (pilotage; anchorage, berth and berthing services; towing and tug assistance; provisioning, fuelling and watering; garbage collecting and ballast waste disposal; port captain's services; navigation aids; shore-based operational services essential to ship operation, including communications, water and electrical supplies; and emergency repair facilities). However, no measures shall be applied which deny international maritime transport service suppliers reasonable and non-discriminatory access to the above port services.

⁸ "Cabotage" covers transportation of passengers or goods between a point in Hong Kong, China and another point in Hong Kong, China, as well as traffic originating and terminating in the same point in Hong Kong, China provided that this traffic remains within the waters of Hong Kong, China.

II-HKC-23

Sector	Transport Services - Internal Waterways Transport - Space Transport - Road Transport Services - Pipeline Transport - Other Transport Services*
Industry Classification	
Obligations Concerned	Market Access (Article 3.5) National Treatment (Article 3.6)
Description	Hong Kong, China reserves the right to adopt or maintain any measure with respect to the services as set out above.

* This refers to the services covered by sub-sector “I. Other Transport Services” under the sector “Transport Services” of MTN.GNS/W/120.

II-HKC-24

Sector	Transport Services Air Transport Services or Related Services in Support of Air Services
Industry Classification	
Obligations Concerned	Market Access (Article 3.5) National Treatment (Article 3.6)
Description	Hong Kong, China reserves the right to adopt or maintain any measure with respect to the services as set out above.

II-HKC-25

Sector	Transport Services - Rail Transport Services - Railway Construction and Project Implementation
Industry Classification	
Obligations Concerned	Market Access (Article 3.5) National Treatment (Article 3.6)
Description	Hong Kong, China reserves the right to adopt or maintain any measure with respect to the services as set out above.

II-HKC-26

Sector	Transport Services Services Auxiliary to All Modes of Transport	
Industry Classification	CPC 741	Cargo-handling services
	CPC 742	Storage and Warehousing services, including distribution centre services and materials handling and equipment services such as container station and depot services
Obligations Concerned	Market Access (Article 3.5) National Treatment (Article 3.6)	
Description	Hong Kong, China reserves the right to adopt or maintain any measure with respect to: 1. cargo-handling services in respect of air and rail; and 2. storage and warehousing services, including distribution centre services and materials handling and equipment services such as container station and depot services, in respect of air and rail.	

II-HKC-27

Sector	Other Services not Included Elsewhere	
Industry Classification	CPC 95	Services of Membership Organisations
	CPC 97	Other Services
	CPC 98	Private Households with Employed Persons
	CPC 99	Services provided by Extraterritorial Organisations and Bodies
Obligations Concerned	Market Access (Article 3.5) National Treatment (Article 3.6)	
Description	Hong Kong, China reserves the right to adopt or maintain any measure with respect to the services as set out above.	

APPENDIX 1 TO ANNEX X

LIST OF COMMITMENTS ON MOVEMENT OF NATURAL PERSONS OF HONG KONG, CHINA

1. Hong Kong, China's commitments under Article 3.9 of the Agreement are covered wholly and exclusively in this List. Hong Kong, China reserves the right to adopt or maintain any measure in respect of the supply of a service by a service supplier of EFTA States, through presence of natural persons of EFTA States in the Area of Hong Kong, China other than the commitments to grant temporary entry and stay for the purpose of carrying out the specified business activities in relation to the supply of services as set out in this List.

2. This List specifies the conditions and limitations for entry and temporary stay, including the requirements and length of stay, for each category of natural persons included in this List.

3. Hong Kong, China shall grant temporary entry or extension of stay to the extent provided for in the commitments set out in this List to natural persons of EFTA States, provided that those natural persons:

(a) follow prescribed application procedures for the immigration formality⁹ sought; and

(b) meet all relevant eligibility requirements for entry to Hong Kong, China.

4. Temporary entry granted by Hong Kong, China to a natural person of EFTA States pursuant to this List does not exempt that person from the requirements needed to carry out a profession or activity according to the domestic law, and any applicable mandatory codes of practice made pursuant to the domestic law, in force in the Area of Hong Kong, China.

Entry in the following categories only	Conditions (including duration of stay)
Business visitors <u>Definition</u> : A business visitor means a natural person of EFTA States who: (a) is seeking temporary entry to Hong Kong, China for the purpose of: (i) attending meetings or conferences, or engaging in consultations with business colleagues;	The commitments shall apply to all sectors in MTN.GNS/W/120. Entry for a period not exceeding 90 days, provided that normal immigration requirements are met.

⁹ It is understood that "immigration formality" means a visa, permit, pass or other document or electronic authority granting a natural person permission to enter, stay, work or establish commercial presence in the Area of Hong Kong, China.

Entry in the following categories only	Conditions (including duration of stay)
(ii) taking orders or negotiating contracts for a juridical person located in Hong Kong, China, but not selling goods or providing services to the general public; or (iii) undertaking business consultations concerning the establishment, expansion or winding up of a juridical person in Hong Kong, China; and (b) who is not seeking to enter the labour market of Hong Kong, China; and (c) whose principal place of business, actual place of remuneration, and predominant place of accrual of profits remain outside Hong Kong, China.	
Intra-corporate transferees <u>Definition:</u> An intra-corporate transferee means a senior manager or a specialist who is an employee of a service supplier of EFTA States with a commercial presence in Hong Kong, China. A senior manager means a natural person of EFTA States within an organisation of EFTA States who: (a) is a senior employee of that organisation with responsibility for the entire organisation's operations, or a substantial part of it, in Hong Kong, China; (b) has proprietary information of the organisation and receives only general supervision or direction from higher level executives or the board of directors or stockholders of the organisation; and	The commitments: (a) shall only apply to the sectors and sub-sectors in MTN.GNS/W/120 as set out in paragraph 5 and the services as set out in paragraph 6 below; (b) shall only apply to natural persons of EFTA States of service suppliers of EFTA States which have a bona fide business establishment operating in Hong Kong, China. The number of natural persons who may seek entry under these commitments shall be reasonable having regard to the size and the nature of the business operation of the relevant establishment in Hong Kong, China; and (c) are limited to entry and temporary stay. Temporary stay implies that the appropriate prior authority will

Entry in the following categories only	Conditions (including duration of stay)
(c) supervises and controls the work of other supervisory, professional or managerial employees. This does not include a first-line supervisor unless the employees supervised are professionals, nor does this include an employee who primarily performs tasks necessary for the provision of the service. A specialist means a natural person of EFTA States within an organisation of EFTA States who: (a) possesses knowledge at an advanced level of technical expertise; (b) possesses proprietary knowledge of the organisation's service, research equipment, techniques or management; and (c) is essential to the operation of the concerned service supplier's establishment in Hong Kong, China.	have been applied for and obtained before departure for Hong Kong, China. For senior managers and specialists, temporary stay shall be limited to one year in the first instance, which may be extended up to a total of five years. Natural persons of EFTA States seeking entry into Hong Kong, China as senior manager or specialist under Hong Kong, China's commitments on intra-corporate transferees shall: (a) be employees who have been in the prior employ of the concerned service supplier which sponsors their entry into Hong Kong, China for a period of not less than one year immediately preceding the date of application for admission; and (b) during their stay in Hong Kong, China, except with the prior approval of the Government of Hong Kong, China, not change employment or employers.
Installers or servicers <u>Definition:</u> An installer or servicer means a natural person of EFTA States who is an installer or servicer of machinery, equipment or both machinery and equipment, where such installation and/or servicing by the supplying company is a condition of purchase of the said machinery or equipment. An installer or servicer cannot perform services which are not related to the service activity which is the subject of the contract.	The commitments shall only apply to the sectors and sub-sectors in MTN.GNS/W/120 as set out in paragraph 7 below. Entry for a period not exceeding three months in any 12-month period and subject to economic needs tests¹⁰.

5. In respect of intra-corporate transferees, the commitments apply only to the following sectors and sub-sectors in MTN.GNS/W/120:

¹⁰ Including economic benefits test and labour market test.

<u>SECTORS AND SUB-SECTORS</u>	<u>CORRESPONDING CPC</u>
1 <u>BUSINESS SERVICES</u>	<u>Section B</u>
A. <u>Professional Services</u>	
b. Accounting, auditing and bookkeeping services	862
c. Taxation services	863
d. Architectural services	8671
g. Urban planning and landscape architectural services	8674
B. <u>Computer and Related Services</u>	
a. Consultancy services related to the installation of computer hardware	841
b. Software implementation services	842
c. Data processing services	843
d. Data base services	844
e. Other	845+849
D. <u>Real Estate Services</u>	
a. Involving own or leased property	821
b. On a fee or contract basis	822
E. <u>Rental/Leasing Services without Operators</u>	
a. Relating to ships	83103
c. Relating to other transport equipment, excluding other land transport equipment	83101+83102
d. Relating to other machinery and equipment	83106-83109
F. <u>Other Business Services</u>	
a. Advertising services	871
b. Market research and public opinion polling services	864
c. Management consulting service	865
d. Services related to management consulting	866
e. Technical testing and analysis services	8676
f. Services incidental to agriculture, hunting and forestry	881
g. Services incidental to fishing	882
i. Services incidental to manufacturing	884+885
	(except for 88442)
k. Placement and supply services of Personnel	872
l. Investigation and security	873
n. Maintenance and repair of equipment (not including maritime vessels, aircraft or other transport equipment)	633+8861-8866
o. Building-cleaning services	874
p. Photographic services	875
q. Packaging services	876
r. Printing, publishing	88442

<u>SECTORS AND SUB-SECTORS</u>	<u>CORRESPONDING CPC</u>
s. Convention services	87909*
t. Other, excluding credit reporting services; collection agency services; and other business services not elsewhere classified	8790 excluding 87901, 87902 & 87909
2 <u>COMMUNICATION SERVICES</u>	
B. <u>Courier services</u> (limited to the provision of services on a fee or contract basis for the delivery of documents and parcels, but excluding services reserved to the Post Office under the Post Office Ordinance)	7512**
C. <u>Telecommunication services</u>	
a. Voice telephone services	7521
b. Packet-switched data transmission services	7523**
c. Circuit-switched data transmission services	7523**
d. Telex services	7523**
e. Telegraph services	7522
f. Facsimile services	7521**+7529**
g. Private leased circuit services	7522**+7523**
h. Electronic mail	7523**
i. Voice mail	7523**
j. On-line information and data base retrieval	7523**
k. electronic data interchange (EDI)	7523**
l. enhanced/value-added facsimile services, including store and forward, store and retrieve	7523**
m. code and protocol conversion	n.a.
n. on-line information and/or data processing (including transaction processing)	843**
o. other	
D. <u>Audiovisual services</u>	
a. Motion picture and video tape production and distribution services	9611
b. Motion picture projection service (limited to motion picture projection services in cinemas)	96121**
e. Sound recording	n.a.
3 <u>CONSTRUCTION AND RELATED ENGINEERING SERVICES</u>	
B. <u>General construction work for civil engineering</u>	513

<u>SECTORS AND SUB-SECTORS</u>	<u>CORRESPONDING CPC</u>
D. <u>Building completion and finishing work</u> - Interior design services (limited to specialised consulting services related to the post-construction design and fitting out of interior living and working spaces) E. <u>Other</u> - Project management services (limited to the supervision and coordination of construction projects but do not cover engineering or architectural services)	517**
4 <u>DISTRIBUTION SERVICES</u>	
B. <u>Wholesale trade services</u> , excluding wholesale trade services of live animals (except for live food animals); agricultural raw materials not elsewhere classified (except for animal feed); edible oils and fats; edible offal, preserves and preparations of meat; fishery products; pharmaceutical and medical goods; and surgical and orthopaedic instruments and devices	622**
C. <u>Retailing services</u> - Food retailing services - Non-food retailing services, excluding retail sales of pharmaceutical, medical and orthopaedic goods	631 632 excluding 63211
6 <u>ENVIRONMENTAL SERVICES</u>	
A. <u>Sewage services</u> B. <u>Refuse disposal services</u> C. <u>Sanitation and similar services</u> <u>Cleaning services of exhaust gases</u> <u>Noise abatement services</u> <u>Nature and landscape protection services</u> <u>Other environmental protection services not elsewhere classified (n.e.c.)</u>	9401 9402 9403 9404 9405 9406 9409
7 <u>FINANCIAL SERVICES (W/120)</u>	
A. <u>All insurance and insurance-related services</u> a. Life, accident and health insurance services b. Non-life insurance services c. Reinsurance and retrocession d. Services auxiliary to insurance (including broking and agency services)	812** 8121 8129 81299* 8140
B. <u>Banking and other financial services (excl. insurance)</u>	

<u>SECTORS AND SUB-SECTORS</u>	<u>CORRESPONDING CPC</u>
a. Acceptance of deposits and other repayable funds from the public	81115-81119
b. Lending of all types, including, inter alia, consumer credit, mortgage credit, factoring and financing of commercial transaction	8113
c. Financial leasing	8112
d. All payment and money transmission services	81339**
e. Guarantees and commitments	81199**
f. Trading for own account or for account of customers, whether on an exchange, in an over-the-counter market or otherwise, the following:	
- money market instruments (cheques, bills, certificate of deposits, etc.)	81339**
- foreign exchange	81333
- derivative products including, but not limited to, futures and options	81339**
- exchange rate and interest rate instruments, including products such as swaps, forward rate agreements, etc.	81339**
- transferable securities	81321*
g. Participation in issues of all kinds of securities, including under-writing and placement as agent (whether publicly or privately) and provision of service related to such issues	8132
i. Asset management, such as cash or portfolio management, all forms of collective investment management, pension fund management, custodial depository and trust services	8119**+81323*
k. Advisory and other auxiliary financial services on all the activities listed in Article 1B of MTN.TNC/W/50, including credit reference and analysis, investment and portfolio research and advice, advice on acquisitions and on corporate restructuring and strategy	8131 or 8133
l. Provision and transfer of financial information, and financial data processing and related software by providers of other financial services	8131
9 <u>TOURISM AND TRAVEL RELATED SERVICES</u>	
A. <u>Hotels and restaurants (incl. catering)</u>	
- Hotel lodging services	6411
- Other lodging services (limited to children's holiday camp services; holiday centre and holiday home services; youth hostel and mountain shelter services; and camping and caravanning site services)	64191, 64192, 64194 & 64195
- Restaurant and catering services	642 & 643

<u>SECTORS AND SUB-SECTORS</u>	<u>CORRESPONDING CPC</u>
B. <u>Travel agencies and tour operators services</u> (limited to the business of obtaining for clients carriage and/or accommodation outside Hong Kong, China and the provision of related services such as the furnishing of travel information, advice and planning)	7471**
10 <u>RECREATIONAL, CULTURAL AND SPORTING SERVICES</u> (other than audiovisual services)	
A. <u>Entertainment services</u> (including theatre, live bands and circus services)	
- Theatrical producer, singer group, band and orchestra entertainment services	96191
- Ancillary theatrical services n.e.c.	96193
- Ballroom, discotheque and dance instructor services	96195
C. <u>Libraries, archives, museums and other cultural services</u>	
- Library and archive services	9631
11 <u>TRANSPORT SERVICES</u>	
A. <u>Maritime Transport Services (excluding cabotage)</u> ¹¹	
b. Freight transportation	7212
c. Rental of vessel with crew (limited to services of hiring a vessel with crew under charter party terms for a voyage or period of time)	7213**
d. Maintenance and repair of vessels (limited to businesses related to maintenance and repair of ocean going vessels at anchor or alongside and maintenance and repair of local vessels)	8868**
H. <u>Services auxiliary to all modes of transport</u>	
a. Cargo-handling services (except those of rail and air)	741**
b. Storage and warehouse services (except those of rail and air)	742**
c. Freight transport agency services	748
d. Other	749

6. The commitments on intra-corporate transferees also apply to the following maritime auxiliary services:

¹¹ Cabotage is assumed to cover transportation of passengers or goods between a point in Hong Kong, China and another point in Hong Kong, China, as well as traffic originating and terminating in the same point in Hong Kong, China, provided that this traffic remains within the waters of Hong Kong, China.

- Customs clearance services (limited to activities consisting of carrying out on behalf of another party customs formalities concerning import, export or through transport of cargoes, whether this service is the main activity of the service provider or a usual complement of its main activity);
- Container station and depot services (limited to activities consisting of storing containers, whether in port areas or inland, with a view to their stuffing/stripping, repairing and making them available for shipment);
- Maritime agency services (limited to activities consisting of representing, within a given geographic area, as an agent the business interest of one or more shipping lines or shipping companies for marketing and sales of maritime transport and related services and for acting on behalf of the companies organising the call of the ship or taking over cargoes when required); and
- Preshipment inspection services (limited to services performed on a fee or contract basis involved in the verification of quality, quantity, price (including currency, exchange rate and financial terms), and/or the customs classification of goods to be exported. Customs or quarantine inspection is not included).

7. In respect of installers or servicers, the commitments apply only to the following sectors and sub-sectors in MTN.GNS/W/120¹²:

<u>SECTORS AND SUB-SECTORS</u>		<u>CORRESPONDING</u> <u>CPC</u>
1	<u>BUSINESS SERVICES</u>	<u>Section B</u>
B.	<u>Computer and Related Services</u>	
a.	Consultancy services related to the installation of computer hardware	841
b.	Software implementation services	842
c.	Data processing services	843
d.	Data base services	844
F.	<u>Other Business Services</u>	
i.	Services incidental to manufacturing, limited to the following field of activities: Machinery and equipment for chemical manufacturing Machinery and equipment for manufacturing of automotive parts Machinery and equipment for metal working Machinery and equipment for pharmaceutical manufacturing Machinery and equipment for textile manufacturing	884+885, except 88442**

¹² In implementing this commitment, the sectors and segments listed under this paragraph shall be construed by reference to the field of activity of the supplying company.

	Measuring equipment	
	Precision equipment	
2	<u>COMMUNICATION SERVICES</u>	
C.	<u>Telecommunication services</u>	
h.	Electronic mail	7523**
i.	Voice mail	7523**
j.	On-line information and data base retrieval	7523**
k.	Electronic data interchange (EDI)	7523**
l.	Enhanced / value-added facsimile services, including store and forward, store and retrieve	7523**
m.	Code and protocol conversion	n.a.
n.	On-line information and / or data processing (including transaction processing)	843**
6	<u>ENVIRONMENTAL SERVICES</u>	
A.	<u>Sewage services</u>	9401
B.	<u>Refuse disposal services</u>	9402
C.	<u>Sanitation and similar services</u>	9303
	<u>Cleaning services of exhaust gases</u>	9404
	<u>Noise abatement services</u>	9405
	<u>Nature and landscape protection services</u>	9406
	<u>Other environmental protection services n.e.c.</u>	9409
8	<u>HEALTH RELATED AND SOCIAL SERVICES</u>	
B.	<u>Other Human Health Services</u>	
	Other human health services n.e.c. – limited to the following field of activity:	93199**
	Medical equipment	
11	<u>TRANSPORT SERVICES</u>	
H.	<u>Services auxiliary to all modes of transport</u>	
a.	Cargo-handling services (except those of air and rail)	741**
b.	Storage and warehouse services (except those of air and rail)	742**

The (*) indicates that the service specified is a component of a more aggregated CPC item specified elsewhere in MTN.GNS/W/120.

The (**) indicates that the service specified constitutes only a part of the total range of activities covered by the CPC concordance.