Cross-Border Trade in Services and Investment Non-Conforming Measures

ANNEX I SCHEDULE OF CHINA

Explanatory Notes

- 1. The Schedule of China to this Annex sets out, pursuant to Articles 11.10 (Non-Conforming Measures) and Articles 8.6 (Non-Conforming Measures), China's existing measures that are not subject to some or all of the obligations imposed by:
 - (a) Article 11.2 (National Treatment) or Article 8.2 (National Treatment);
 - (b) Article 11.3 (Most-Favored-Nation Treatment) or Article 8.3 (Most-Favored -Nation Treatment);
 - (c) Article 11.8 (Performance Requirements);
 - (d) Article 11.9 (Senior Management and Boards of Directors);
 - (e) Article 8.4 (Market Access); or
 - (f) Article 8.5 (Local Presence).
- 2. Each Schedule entry sets out the following elements:
 - (a) **Sector** refers to the sector for which the entry is made;
 - (b) **Obligations Concerned** specifies the article(s) referred to in paragraph 1 that, pursuant to Articles 11.10.1(a) (Non-Conforming Measures) and Articles 8.6.1(a) (Non-Conforming Measures), do not apply to the non-conforming aspects of the **Measures** or the **Description**, as set out in paragraph 3;
 - (c) **Level of Government** indicates the level of government maintaining the scheduled measure(s);
 - (d) **Measures**¹ identifies the laws, regulations, or other measures for which the entry is made. A measure cited in the **Measures** element:
 - (i) means the measure as amended, continued or renewed as of the date of entry into force of this Agreement; and
 - (ii) includes any subordinate measure adopted or maintained under the authority of and consistent with the measure;
 - (e) **Description** sets out the non-conforming aspects of the measure for which the entry is made.
- 3. In accordance with Article 11.10.1(a) (Non-Conforming Measures) and Article 8.6.1(a) (Non-Conforming Measures), and subject to Article 11.10.1(c) (Non-Conforming Measures)

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¹ For greater certainty, in the case of China, a change in the level of government at which a measure is administered or enforced does not, by itself, decrease the conformity of the measure with the obligations referred to in Article 11.10.1 and Article 8.6.1.

Conforming Measures) and Article 8.6.1(c) (Non-Conforming Measures), the articles of this Agreement specified in the **Obligations Concerned** element of an entry do not apply to the non-conforming aspects of the **Description** element, or the law, regulation, or other measure, as applicable, identified in the **Measures** element of that entry.

- 4. In the interpretation of a Schedule entry, all elements of the entry, as well as the articles against which the entry is made, shall be considered. Unless otherwise explicitly indicated in the entry, the **Measures** element shall prevail over all other elements, including where a difference exists between the **Description** element and the **Measures** element in the aspect of liberalization commitments.
- 5. Where there is overlap between the contents of Annex I and Annex II, notwithstanding the obligations a Party assumes under Article 11.10.1, and Article 8.6.1 and Annex I, the Party remains entitled to adopt or maintain relevant measures in accordance with Article 11.10.2, Article 8.6.2 and Annex II.
- 6. For greater certainty, unless otherwise specified, "all sectors" referred to in this Annex shall mean all sectors including financial services.
- 7. For the purposes of the Schedules of China to this Annex:
 - (a) "foreign investor" means any investor of the other Party or a non-Party.
 - (b) "**foreign investor may not invest**" means a foreign investor may not directly or indirectly invest, including by holding any shares, stock or other forms of rights or interest directly or indirectly, in the territory of China.
 - (c) "Chinese control" means the circumstances where the total investment proportion held by foreign investors, whether directly and indirectly, is not greater than 49%.
 - (d) "EJV" means investments may be made only in the form of equity joint venture.
- 8. For greater certainty, with respect to a reservation concerning the supply of a service, if the means of delivery is not specified or otherwise described or limited, the reservation shall apply to all means of delivery of the service.

SCHEDULE OF CHINA

Annex I Entry 1 – Seed Industry

Sector: Seed Industry

Obligations

National Treatment (Article 11.2)

Concerned:

Level of

Central

Government
Measures:

Special Administrative Measures (Negative List) for the Access of

Foreign Investment (2021), Article 1, 2, 3.

Description: Investment

1. Foreign investor may not invest in the research and development, cultivation or planting of the precious and quality varieties which are rare and special in China, and the production of the relevant reproductive materials thereof (including high quality genes in the industries of crop production, livestock industry and aquaculture).

- 2. Chinese control is required for investments by foreign investors in the selection and breeding of new varieties of wheat and corn and seed production of wheat and corn.
- 3. Foreign investors may not invest in the selection and breeding of transgenic varieties of crops, livestock and poultry raised for breeding purpose, seeds and sprouts of aquatic products, and the production of their transgenic seeds (sprouts).

Annex I Entry 2–Fishery

Sector: Fishery/Services Incidental to Fishing

Obligations National Treatment (Article 11.2 and Article 8.2)

Concerned:

Most Favored Nation Treatment (Article 8.3)

Level of

Central

Government:

Measures:

Fisheries Law of People's Republic of China (2013), full text;

Law on the Exclusive Economic Zone and the Continental Shelf

(1998);

Law on the Territorial Sea and the Contiguous Zone (1992), Article

11;

Special Administrative Measures (Negative List) for the Access of

Foreign Investment (2021), Article 4;

Interim Provisions on the Administration of Fishery Activities of Foreigners and Foreign Ships in the Territorial Sea of the People's

Republic of China (2004).

Description: Investment and Cross-border Trade in Services

> 1. Foreign investors may not invest in the fishing of aquatic products within the sea and inland waters under the jurisdiction of China.

> 2. Foreigners and foreign fishing vessels must obtain approval from Chinese government before entering the territorial waters of the People's Republic of China for carrying out fishery activities. If those persons and vessels belong to countries that have signed relevant accords or agreements with China, their activities shall be conducted in accordance with those accords or agreements.

Annex I Entry 3 – Exploration and Exploitation of Exclusive Economic Zone and Continental Shelf

Sector: Exploration and Exploitation of Exclusive Economic Zone and

Continental Shelf

Obligations

National Treatment (Article 11.2)

Concerned:

Level of

Central

Government

Measures: Law on the Exclusive Economic Zone and the Continental Shelf

(1998), Article 7.

Description: <u>Investment</u>

Any international organization, foreign entity or individual must obtain approval from Chinese government for carrying out activities of exploring and exploiting natural resources in the exclusive economic zone of China or on the Chinese continental shelf, or drilling

on the Chinese continental shelf for any purpose.

Annex I Entry 4 - Exploration, Exploitation and Smelting of Minerals

Sector: Exploration, Exploitation and Smelting of Minerals

Obligations

National Treatment (Article 11.2)

Level of

Government:

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Measures: The State Council Notice on Tungsten, Tin, Antimony, Ion Type

Rare Earth Minerals Being Listed as Nation-wide Protective Specific

Minerals for Mining (1991), Article 2 (Indicative Translation);

Special Administrative Measures (Negative List) for the Access of

Foreign Investment (2021), Article 5.

Description: <u>Investment</u>

Foreign investors may not invest in the exploration, exploitation or ore

dressing of rare earth and tungsten.

Annex I Entry 5-Printing of Publications

Sector: Printing of Publications

Obligations

National Treatment (Article 11.2)

Concerned:

Level of

Central

Government:

Measures: Regulations on the Administration of Printing Industry (2017), Article

14;

Special Administrative Measures (Negative List) for the Access of

Foreign Investment (2021), Article 6.

Description: <u>Investment</u>

Chinese control is required for investment (excluding those in free

trade pilot zones) by foreign investors in the printing of publications.

Annex I Entry 6–Government-granted Monopoly

Sector: Government-granted Monopoly/Services related to Government-

granted Monopoly

Obligations National Treatment (Article 11.2 and Article 8.2)

Concerned: Market Access (Article 8.4)

Level of

Central

Government:

Measures:

Law of the People's Republic of China on Tobacco Monopoly

(2015), Article 1,2 and 3;

Special Administrative Measures (Negative List) for the Access of

Foreign Investment (2021), Article 9;

Regulation on the Implementation of the Law of the People's

Republic of China on Tobacco Monopoly (2016) .

Description: <u>Investment and Cross-border Trade in Services</u>

Foreign investors or foreign service suppliers may not invest or engage in the production, whole sale, retail or import and export of leaf tobacco, cigarettes, re-dried leaf tobacco, cigars, cut

tobacco and other tobacco products¹.

¹ For the purpose of this entry, "tobacco products" refer to products entirely or partly made of the leaf tobacco as raw material, which are manufactured to be used for smoking, sucking, chewing or snuffing, including electronic cigarettes and other new-type tobacco products.

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Annex I Entry 7-Postal and Delivery Services

Sector: Postal and Delivery Services

Obligations National Treatment (Article 11.2 and Article 8.2)

Concerned: Market Access (Article 8.4)

Local Presence (Article 8.5)

Level of

Central

Government:

Measures:

Postal Law of the People's Republic of China (2015), Article 5, 14, 15,

42, 51, 52, 55, 84;

Measures for the Supervision and Administration of Universal Postal

Services (2015), Article 21;

Special Administrative Measures (Negative List) for the Access of

Foreign Investment (2021), Article 13.

Description: <u>Investment and Cross-border Trade in Services</u>

1. Foreign investors or foreign service suppliers may not invest in postal enterprises¹ or operate postal services².

- 2. Foreign investors or foreign service suppliers may not invest or engage in the operation of domestic express delivery service³ for correspondence⁴.
- 3. Only the corporate legal person established in China is allow to operate delivery service within the territory of the People's Republic of China.

¹ For the purpose of this entry, "postal enterprise(s)" refer to the China Post Group and its wholly owned and/or controlled enterprises that provide postal services.

² For the purpose of this entry, "postal services" refer to postal services supplied by a postal enterprise, including mail delivery, postal remittance, stamp issuance, issuance of newspapers and magazines required by the government, post office counter services, P.O. box leasing services, and poste restante services.

³ For the purpose of this entry, "domestic express delivery service" refers to express delivery service in which the entire process from the acceptance of mail to delivery occurs within the territory of China.

⁴ For the purpose of this entry, "correspondence" refers to letters or postcards. The term "letter" refers to a sealed information carrier delivered in an envelope to a specific individual or entity according to the name and address indicated thereon, excluding books, newspapers, periodicals, etc.

Annex I Entry 8 – Telecommunication Services

Sector: Telecommunication Services

Obligations Investment and CBTS National Treatment (Article 11.2 and Article

Concerned: 8.2)

Market Access (Article 8.4)

Local Presence (Article 8.5)

Level of

Central

Government:

Measures:

Telecommunication Regulation of the People's Republic of China (2016), Article 10;

Administrative Provisions on Foreign-Invested Telecommunications Enterprise (Revised in 2022);

Special Administrative Measures (Negative List) for the Access of Foreign Investment (2021), Article 14;

Management Measures on Telecommunication Business License (2017);

Measures on the Administration of International Communication Accesses (2002);

Radio Regulation of the People's Republic of China (2016);

Measures for the Administration of Internet Domain Names (2017);

Notice of the Telecommunications Administration Bureau of Ministry of Information and Industry on Further Standardizing the Market of Satellite Communication Business (2001).

Description: <u>Investment and Cross-border Trade in Services</u>

1. Foreign investors may not invest in the international communication facility service, satellite communication service, cluster communication service, network access facilities service, network trusteeship service, domestic communication facilities

- service (excluding domestic private-line circuit lease services), internet data center service, content delivery network service, internet access service and domestic internet virtual private network services.
- 2. For fixed communication service, cellular mobile communication service, data communication service, IP telephone service or domestic private line leasing service, the shareholding percentage of that foreign investor may not exceed 49% (the foregoing services may be provided on the basis of facilities). For online data processing and transaction processing services (E-commerce not included), code and protocol conversion services, radio paging services and information services the shareholding percentage of that foreign investor may not exceed 50%.
- 3. China adopts a licensing system for telecommunications business. Only companies established in the territory of China in accordance with the law, after obtaining a telecommunication business license, may be engaged in telecommunications business.
- 4. The provision of international communications service within the territory of China shall only be conducted through international communications accesses (ICAs). The establishment of an ICA shall be applied by a wholly state-owned telecommunication business operator, who shall undertake the operation and maintenance of the ICA, and be approved by the Ministry of Industry and Information Technology.
- 5. Foreign investors or foreign service suppliers shall not conduct radio wave parameter testing or radio wave monitoring within the territory of China.
- 6. To establish a domain name root server or a domain name root server operating institution, domain name registry or domain name registrar within the territory of China, the corresponding license issued by the telecommunications administrations shall be obtained.
- 7. Foreign satellite companies providing lease services for satellite transponders within the territory of China shall, in advance, complete the work of coordination with China's satellite network and so on,

lease satellite transponders to domestic satellite companies qualified to operate lease services for satellite transponders in China or to user entities authorized by the Chinese government, and then domestic satellite companies sublease the satellite transponders to domestic user entities. Domestic satellite companies are responsible for technical support, marketing, user service and user supervision. No foreign satellite companies may lease satellite transponders directly to domestic users without the approval of the Chinese government.

Annex I Entry 9 -Legal Services

Sector: Legal Services

Obligations National Treatment (Article 11.2)

Concerned: Senior Management and Board of Directors (Article 11.9)

National Treatment (Article 8.2)

Market Access (Article 8.4)

Local Presence (Article 8.5)

Level of

Central

Government:

Measures: Regulations on the Administration of Foreign Law Firms'

Representative Offices in China (2001);

Provisions of the Ministry of Justice on the Execution of the Regulations on the Administration of Foreign Law Firms'

Representative Offices in China (2004);

Implementation Measures for the National Uniform Legal Profession

Qualification Examination (2018), Article 9;

Administrative Measures for the Practice of Law by Lawyers (2016);

Special Administrative Measures (Negative List) for the Access of

Foreign Investment (2021), Article 16

Lawyers Law of the People's Republic of China (2017);

Administrative Measures for the Practice by Notarization Institutions

(2006);

Administrative Measures for the Practices of Notaries Public (2006);

Notary Law of the People's Republic of China (2017);

Decision of the Standing Committee of the National People's

Congress on the Administration of Forensic Identification and

Evaluation (2015);

Administrative Measures for the Registration of Judicial

Authentication Institutions (2005);

Administrative Measures for the Registration of Judicial Authenticators (2005);

Regulations on Patent Agency (2018);

Administrative Measures for the Establishment of Resident Representative Offices in China by Foreign Patent Agencies (2022), Article 14 and Article 16.

Description: <u>Investment and Cross-border Trade in Services</u>

- 1. Foreign investors or foreign service suppliers may not invest or engage in the affairs on Chinese law¹.
- 2. Foreign nationals may not take the National Uniform Legal Profession Qualification Examination, obtain the Chinese legal practitioner qualification, or become partners of Chinese law firms.
- 3. A foreign law firm may enter into China only in the form of a representative office; no foreign law firm, other foreign organization or individual may render legal services within the territory of China in other name except for in the name of its representative office in China; the establishment of representative office and dispatch of representatives by a foreign law firm are subject to the approval of the administrative department of justice of China. A representative in a representative office of foreign law firm shall reside within the territory of China for a period not less than 6 months every year.
- 4. Foreign lawyers are not allowed to prepare and attend commercial arbitration, conciliation and mediation proceedings as representatives within the territory of China. Foreign lawyers are not allowed to

¹ For the purpose of this entry, the following acts can be regarded as "affairs on Chinese law": (1) participating in litigation activities within China as lawyers; (2) providing opinions or certifications on the specific issues governed by Chinese laws in contracts, agreements, articles of association or other written documents; (3) providing opinions and certifications on the acts or events governed by Chinese laws; (4) presenting agent's opinions on the application of Chinese laws as an agent in arbitration activities; (5) handling, on the trustor's behalf, the procedures for registration, alteration, application or putting on record, and other procedures at the government organs of China or other organizations authorized by laws and regulations with administrative authorities.

provide legal services on a temporary fly-in, fly-out basis.

- 5. Representative offices of foreign law firms may not employ lawyers licensed to practice Chinese law, and the supporting personnel employed by such representative offices may not provide legal services to any concerned party. None of representative and the supporting personnel of a representative office may provide services in relation to Chinese law as a "Chinese legal consultant".
- 6. Only notarization institutions that established in the territory of China may engage in notarization ¹ services. A control of total number shall be adopted for the establishment of notarization institutions. Only natural person with nationality of the People's Republic of China may be a notary.
- 7. Only a juridical person or any other organization that established in the territory of China may apply for engaging in judicial authentication². Only Chinese citizens may apply for engaging in judicial authentication.
- 8. For the purpose of this entry, no representative office or any law firm that establishes representative offices may:
 - (a) invest in any Chinese law firm, whether directly or indirectly;
 - (b) operate on an associated basis with any Chinese law firm or Chinese lawyer with which they share profits or risks;
 - (c) establish joint office with any Chinese law firm or dispatch personnel to be engaged in legal services in any Chinese law firm; or
 - (d) manage, operate control or enjoy equity interests in any Chinese law firm;

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¹ Notarization means an act performed by a notarial institution, upon the application of a party concerned, such as certifying the authenticity and legality of a legal act, a document or a fact of legal significance according to the statutory procedures.

² Judicial authentication refers to the activities that authenticators identify, make judgments and offer expertise on the special issues involved in litigation by using scientific technologies or special knowledge.

9. The establishment of a resident representative office in China by a foreign patent agency must be subject to the approval of the Patent administration department. The resident representative office in China by a foreign patent agency may not engage in or in other name engage in Chinese patent affairs. The resident representative office in China by a foreign patent agency may not employ Chinese patent agents who have been permitted practice for filing.

Annex I Entry 10 -Market Investigation and Social Investigation

Sector: Market Investigation and Social Investigation

Obligations National Treatment (Article 11.2 and Article 8.2)

Concerned:

Market Access (Article 8.4)

Level of

Central

Government:

Measures: Special Administrative Measures (Negative List) for the Access of

Foreign Investment (2021), Article 17, Article 18;

Regulation on the Implementation of the Statistics Law of the People's

Republic of China (2017);

Statistics Law of the People's Republic of China (2009);

Measures for the Administration of Foreign-related Investigation

(2004) .

Description: <u>Investment and Cross-border Trade in Services</u>

1. Foreign investors may not invest in social investigation¹.

2. Investments by foreign investors in market investigation² may be made only in the form of EJV.

3. Foreign service suppliers providing market or social investigation

¹ For the purpose of this entry, "social investigation" refers to the activity, other than a market investigation, of collecting, compiling and analyzing the relevant information of the society by way of questionnaire (including paper media, magnetic media and online form), interview, observation or any other ways, which corresponds to CPC 86402 (public opinion polling service) and the content of "economic and social intelligence service not related to commodities, such as industry analysis, econometrics model, demographic analysis ,etc." as set out in CPC 86401 in Central Product Classification (CPC) of the United Nations Statistical Commission.

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² For the purpose of this entry, "market investigation" refers to the investigation service designed to secure information on the prospects and performance of an organization's products in the market, including market analysis (of size and other characteristics of a market) and analysis of consumer attitudes and preferences, which corresponds to CPC 86401 (market investigation service) in Central Product Classification (CPC) of the United Nations Statistical Commission, but excluding the content of "economic and social intelligence service not related to commodities, such as industry analysis, econometrics model, demographic analysis, etc."

in China shall conduct it through an institution which is licensed for foreign-related investigation¹.

¹ For the purpose of this entry, "foreign-related investigation" refers to social and market investigation conducted under the entrustment or financial aid of any overseas organizations, individuals, or the agency in China of any overseas organizations; social and market investigation conducted in cooperation with any overseas organization, individuals, or the agency in China of any overseas organizations; market investigation lawfully conducted by the agency in China of any overseas organization; and market and social investigation of which the materials and results are to be provided to any overseas organization, individual or the agency in China of any overseas organization.

Annex I Entry 11-Professional Technical Services

Sector: Professional Technical Services

Obligations

National Treatment (Article 11.2)

Concerned:

Level of

Central

Government:

Measures: Surveying and Mapping Law of the People's Republic of China

(2017), Article 8;

Interim Measures for the Administration of the Surveying and Mapping Conducted by Foreign Organizations or Individuals in China

(2019 Amended), Article 7;

Special Administrative Measures (Negative List) for the Access of

Foreign Investment (2021), Article 21.

Description: <u>Investment</u>

Foreign investors may not invest in the following business: geodetic survey, hydro graphic survey, aerial photography for mapping, ground moving survey, administrative boundary survey; compilation of topographic maps, world administrative district maps, national administrative district maps, provincial and lower administrative district maps, national teaching maps, local teaching maps, true three-dimensional maps and digital navigation maps; regional geological mapping, survey of mineral geology, geophysics, geochemistry, hydrogeology, environmental geology, geological disasters or remote sensing geology, etc (a mining right holder that conducts work to the extent of its mining right shall be exempt from the special administrative measure).

Annex I Entry 12 – Education

Sector: Education

Obligations National Treatment (Article 11.2)

Concerned:

Senior Management and Boards of Directors (Article 11.9)

Level of

Central

Government:

Measures: Education Law of the People's Republic of China (2016), Article 21,

22, 23, 25, 70, 85;

Regulation of the People's Republic of China on Chinese-foreign Cooperative School Running (2013), Article 6, 7, 21, 23, 25, 35, 38, 42,

43, 44, 48, 62;

Special Administrative Measures (Negative List) for the Access of

Foreign Investment (2021), Article 22, Article 23;

Catalog of Encouraged Industries for Foreign Investment (2022), Article 502.

Description:

Investment

- 1. Foreign education institutions, other organizations or individuals may establish schools or other educational institutions only in the form of Sino-foreign cooperative educational institutions mainly targeted at Chinese citizens.
- 2. Sino-foreign cooperative educational institutions may not engage in compulsory education and special education services such as military, police, political education.
- 3. Foreign religious organizations, foreign religious institutions, foreign religious colleges or schools, or religious teaching personnel may not engage in cooperative school running activities within the territory of China. Sino-foreign cooperative educational institutions may not provide religious education or carry out religious activities.
- 4. Establishing preschools, general senior high schools and higher

education institutions shall be made only in the form of Sino-foreign cooperative educational institutions, which requires the Chinese party to be in the leading position (the president or the principal administrator of a Sino-foreign cooperatively-run educational institution must be a person with Chinese nationality; the board of trustees, board of directors or the joint management committee shall consist of no less than half of the members from the Chinese party.

5. Foreign investors may not invest in educational accreditation services.

Annex I Entry 13 – Examination Services

Sector: Education services

Obligations Market Access (Article 8.4)

Concerned:

National Treatment (Article 11.2 and Article 8.2)

Level of

Central

Government:

Measures: Interim Measures for the Administration of Examinations for

Educational Purposes Held Jointly by Chinese and Foreign

Institutions (1996), Article 2, 3, 5, 11;

Notice of the Ministry of Labor and Social Security on Strengthening the Administration of Introducing Foreign Professional Qualification

Certificates (1998) .

Description: <u>Investment and Cross-border trade in services</u>

1. Upon approval of Chinese government, foreign institutions may engage in educational testing services for purposes other than academic credentials in the form of cooperation with Chinese institutions designated by Chinese government.

2. Foreign investors or foreign service suppliers shall cooperate with Chinese professional qualification certificate institutions, relevant industry organizations, social organizations or other corresponding institutions to carry out professional qualification examinations and certificate granting activities.

Annex I Entry 14 – Medicine

Sector: Medicine

Obligations National Treatment (Article 11.2)

Concerned:

Level of

Central

Government:

Measures: Interim Measures for the Administration of Sino-foreign Equity Joint

and Cooperative Joint Medical Institutions (2000), Article 2;

Special Administrative Measures (Negative List) for the Access of

Foreign Investment (2021), Article 19, Article 24.

Description: <u>Investment</u>

1. Investments by foreign investors in medical institutions may be made only in the form of EJV.

2. Foreign investors may not invest in the development and application of human stem cells, or the development and application of genetic diagnosis or treatment technology¹.

¹ For greater certainty, this entry does not prevent foreign-invested medical institutions from using cell products that have been approved by the medical products administration under the State Council.

Annex I Entry 15 - Facilities of Satellite Television Broadcasting

Sector: Radio and Television

Obligations National Treatment (Article 11.2 and Article 8.2)

Concerned:

Market Access (Article 8.4)

Level of

Central

Government:

Measures: Rules for the Administration of Ground-Based Receiving Equipment

for Satellite Television Broadcasts (Issued in 1993, Amended in 2018),

Article 3, Article 4;

Interim Measures for the Installation of Ground Receiving Facilities

of Satellite Television Broadcasting (Issued in 2009, Amended in

2015), Article 4, Article 5;

Special Administrative Measures (Negative List) for the Access of

Foreign Investment (2020), Article 9.

Description: <u>Investment and Cross-Border Trade in Services</u>

Foreign investors and foreign service suppliers may not invest or

engage in the manufacture of ground receiving facilities for satellite

television and broadcast and key components thereof, and the

installation services for ground receiving facilities of satellite

television broadcasts.

Annex I Entry 16- All Sectors

Sector: All Sectors¹

Obligations

National Treatment (Article 11.2)

Concerned:

Level of

Central

Government:

Measures:

Regulation for Implementing the Foreign Investment Law of the

People's Republic of China (2019), Article 34.

Description: <u>Investment</u>

The license, enterprise registration, or any other relevant matters shall not be granted if a foreign investor proposes to invest in sectors covered by the *Special Administrative Measures (Negative List) for the Access of Foreign Investment (2021)*² but not in compliance with the requirements listed in it; nor the project approval for an investment in fixed assets should be issued.

¹ For the purpose of this entry, "all sectors" referred to in this entry shall not include financial services.

² For the purpose of this entry, "Negative List" refer to the Special Administrative Measures for the Access of Foreign Investment (Negative List) published by China Government which is effective when this Agreement enters into force.

Annex I Entry 17 – All Sectors

Sector: All Sectors

Obligations

National Treatment (Article 11.2)

Concerned:

Level of

Central

Government:

Measures:

Regulation of the People's Republic of China on the

Administration of Foreign Exchange (2008), Article 16, Article 23;

Notice of the State Administration of Foreign Exchange on Reforming and Regulating Policies on the Administration over

Foreign Exchange Settlement of Capital Accounts (2016);

Guiding Opinions on Regulating the Asset Management Business

of Financial Institution (2018).

Description: Investment

After completing the foreign exchange registration for foreign direct investment, foreign-invested enterprises shall, according to the nature of the transaction, open designated foreign exchange accounts under direct investment at the banks directly, including capital accounts and asset liquidation accounts. Capitals of foreign-invested enterprises and Renminbi funds gained through the settlement of foreign exchange shall not be invested directly or indirectly in securities or wealth management products, or used for issuance of loans to unrelated enterprises (except as otherwise explicitly specified in the business scope of the enterprise), or the construction or purchase of real estate that is not for self-use (real estate enterprises not included).

Annex I Entry 18 – All Sectors

Sector: All Sectors

Obligations

National Treatment (Article 11.2)

Concerned:

Level of

Central

Government:

Measures:

Law of the People's Republic of China on Sole Proprietorship

Enterprises (2000), Article 47;

Law of the People's Republic of China on Specialized Cooperatives

of Farmers (2017), Article 2, 3, 4, 19;

Regulation on Promoting Individual Industrial and Commercial

Households, Article 2;

Special Administrative Measures (Negative List) for the Access of

Foreign Investment (2021), Note 2.

Description: <u>Investment</u>

Foreign investors may not carry out business operations in China

in the forms of individual business entities or individual sole

proprietorship enterprises, or as members of specialized

cooperatives of farmers.

Annex I Entry 19 – Atomic Energy

Sector: Atomic Energy

Obligations

National Treatment (Article 11.2)

Concerned:

Level of Central

Government:

Measures:

Regulation of the People's Republic of China on the Control over

Nuclear Exports (2006 Amended), Article 2, Article 6;

Special Administrative Measures for Market Access of Foreign

Investment (Negative List) (2021), Article 5, Article 8.

Description: <u>Investment</u>

1. Chinese control is required for investment by foreign investors

in construction or operation of nuclear power stations.

2. Foreign investors may not invest in the exploration, mining, beneficiation, metallurgy, purification, transformation, isotope separation of radioactive mineral resources, or invest in nuclear fuel production and processing, or engage in nuclear export

businesses for materials and items listed in the Nuclear Export

Control List.

Annex I Entry 20- Accounting, Auditing and Bookkeeping Services

Sector: Accounting, Auditing and Bookkeeping Services

Obligations

Concerned:

Local Presence (Article 8.5)

Level of

Government:

Central

Measures: Accounting Law of the People's Republic of China (2017);

Law of the People's Republic of China on Certified Public

Accountants (2014);

Measures for the Practice Licensing and Supervision and

Administration of Accounting Firms (2019);

Administrative Measures for Agency Bookkeeping (2019).

Description: Cross-border Trade in Services

1. Foreign service suppliers providing statutory auditing services

shall establish commercial presence in the territory of China.

2. Foreign service suppliers providing agency bookkeeping

services shall establish commercial presence in the territory of

China.

Annex I Entry 21 – Urban Planning, Architectural, Engineering and Integrated Engineering Services

Sector: Urban Planning, Architectural, Engineering and Integrated

Engineering Services

Obligations National Treatment (Article 8.2)

Concerned:

Market Access (Article 8.4)

Local Presence (Article 8.5)

Level of

Central

Government:

Measures:

Urban and Rural Planning Law of the People's Republic of China

(2019 Amended);

Administrative Provisions on the Qualifications of Project

Supervising Enterprises (2007);

Regulation on the Management of Survey and Design of

Construction Projects (2007);

Interim Provisions on the Administration of Foreign Enterprises Engaging in Construction Project Designing Activities within the

People's Republic of China (2004).

Description: Cross-border Trade in Services

- 1. Foreign service suppliers shall cooperate with Chinese professional institutions to provide preliminary (fundamental) designs for construction projects, construction drawings (detailed designs) and engineering and integrated engineering.
- Except for the scenarios where cross border supply are permitted (such as scheme design), foreign service suppliers shall establish commercial presence to supply prospecting, design services and supervision of construction independently.
- 3. Foreign service suppliers may not engage in general urban planning and shall cooperate with Chinese professional

institutions to provide other urban planning services when in the form of cross-border supply. Urban design except for statutory planning and pre-planning studies for urban design are not subject to this restriction.

Annex I Entry 22 – Customs Clearance Services

Sector: Professional Services

Obligations

Concerned:

Local Presence (Article 8.5)

Level of

Government:

Central

Measures: Customs Law of the People's Republic of China (2017);

Provisions of the Customs of the People's Republic of China on the Administration of Registration of Customs Declaration Entities

(2014).

Description: <u>Cross-border Trade in Services</u>

Only corporate legal person established in the territory of China

may engage in customs declaration.

Annex I Entry 23 – Placement and Supply Services of Personnel

Sector: Placement and Supply Services of Personnel

Obligations National Treatment (Article 8.2)

Concerned: Market Access (Article 8.4)

Local Presence (Article 8.5)

Level of

Government:

Central

Measures: Employment Promotion Law of the People's Republic of China

(2008), Article 40;

Interim Provisions on the Administration of Foreign-funded Talent

Intermediaries (2019);

Provisions on the Administration of Talents Markets (2019);

Interim Provisions on the Administration of the Establishment of

Foreign-funded Job Intermediaries (2019);

Regulation on the Administration of Foreign Labor Cooperation

(2012);

Administrative Provisions of the People's Republic of China on

Seaman Service (2013);

Provisions of the People's Republic of China on the Administration

of Overseas Assignment of Seamen (2016);

Opinions on Relevant Issues of Strengthening the Administration

of Overseas Civil Aviation Companies Employ Chinese Civil

Aviation Professional and Technical Personnel (2004);

Interim Regulation on Human Resources Market (2018), Article

18.

Description: Cross-border Trade in Services

Foreign service suppliers providing human resource services

(including but not limited to talent intermediary services and job intermediary services) shall obtain approval or registration in accordance with the law. Foreign service suppliers may not directly recruit contract workers from within the territory of China to work abroad.

Annex I Entry 24 - Security and Guarding Services

Sector: Security and Guarding Services

Obligations National Treatment (Article 8.2)

Concerned: Local Presence (Article 8.5)

Level of

Government:

Central

Measures: Regulation on the Administration of Security and Guarding

Services (2010);

Measures for the Public Security Organs to Implement the

Regulation on the Administration of Security and Guarding

Services (2010).

Description: <u>Cross-border Trade in Services</u>

Foreign nationals may not serve as security guard to provide security and guarding services¹ in China; foreign service supplier may only provide security and guarding services through

commercial presence.

¹ Security and guarding services means (1) the doorman, patrol, guard, escorting, body guard, security inspection, and security technology protection, security risk assessment and other services which a security company offers to its client entities by assigning security guards; (2) the internal watchman, patrol, guard and other security protection work undertaken by those persons employed by enterprises; (3) the guard, patrol, maintenance of order and other services conducted by persons employed by realty service enterprises within the realty management area.

Annex I Entry 25 – Exhibition Services

Sector: Exhibition Services

Obligations National Treatment (Article 8.2)

Concerned: Market Access (Article 8.4)

Level of

Central

Government:
Measures:

Notice of the Ministry of Foreign Trade and Economic Cooperation on Reiterating and Defining the Regulations Concerning the Administration of Hosting Foreign Economic and Technological Exhibitions in China (2001):

Regulations on Broadcasting and Television (2020 Amended, 1997 published), Article 45;

Provisions on Administration of Radio, Film and Television Festival Exhibition and Programme Exchange Activities (2016 Amended), Article 2, Article 4, Article 6, Article 12.

Description: Cross-border Trade in Services

1. Foreign economic and technological exhibitions held in China by foreign institutions shall be conducted jointly with or entrusted to entities in the territory of China.¹

- 2. Approval from administrative authority is required to hold film festivals, film exhibitions, other film exhibiting activities, and radio and television exchanges (including festival exhibition) and trade activities in China. Overseas films and radio and television programs that enter China for competition or exhibition shall be examined and approved by administrative authority.
- 3. To hold overseas publications exhibitions within the territory of China, foreign service suppliers shall obtain approval from the publishing administrative department under the State Council.

¹ Notwithstanding this entry, China shall not adopt or maintain any measure that is inconsistent with its obligation under the GATS, including those under Article XVI and Article XVII.

Annex I Entry 26 – Asset Appraisal Services

Sector: Asset Appraisal Services

Obligations National Treatment (Article 11.2)

Concerned:

Senior Management and Boards of Directors (Article 11.9)

Local Presence (Article 8.5)

Level of

Government:

Central

Measures: Asset Appraisal Law of the People's Republic of China (2016);

Measures for the Fiscal Supervision and Administration of the

Asset Appraisal Industry (2019).

Description: <u>Investment and Cross-border Trade in Services</u>

1. Only after filing a registration application with the related appraisal administrative department, an appraisal institution may

engage in asset appraisal services.

2. For an asset appraisal institution engaging in the appraisal of state-owned assets, more than two thirds of its partners or

shareholders shall be Chinese Public Appraisers.

Annex I Entry 27 – Civil and Commercial Investigation Services

Sector: Civil and Commercial Investigation Services

Obligations

Market Access (Article 8.4)

Concerned:

Level of

Central

Government:

Measures:

Notice of the Ministry of Public Security on Prohibiting the

Establishment of Non-government Institutions with "Private

Detective Agency" Nature (1993)

Description: <u>Cross-border Trade in Services</u>

Foreign service suppliers may not engage in private detective

services.

Annex I Entry 28 – Construction and Related Engineering Services

Sector: Construction and Related Engineering Services

Obligations Local Presence (Article 8.5)

Concerned:

Market Access (Article 8.4)

Level of

Government:

Central

Measures: Administration Provisions on Qualifications of Enterprises in

Construction Industry (2015).

Description: Cross-border Trade in Services

Foreign service suppliers shall establish commercial presence to

supply construction work and related engineering services.

Annex I Entry 29 - Distribution Services

Sector: Distribution Services

Obligations Market Access (Article 8.4)

Concerned: Local Presence (Article 8.5)

Level of

Central

Government:

Measures:

Regulation on Veterinary Drug Administration (2020);

Regulation on the Administration of Feeds and Feed Additives

(2017);

Regulation on Pesticide Administration (2017);

Measures for Monopoly of Table Salt (2017);

Interim Measures for the Administration of Port Entry Duty-free

Shops (2016);

Notice on Issuing the Supplementary Provisions to the Interim

Measures for the Administration of Port Entry Duty-free Stores

(2018);

Interim Measures for the Administration of Port Exit Duty-free

Shops (2019);

Relevant Provisions on Further Strengthening the Centralized and

Unified Management of the Duty-free Business (2000);

Customs Law of the People's Republic of China (2017);

Measures of General Administration of Customs of the People's

Republic of China for Supervising and Controlling Duty-Free

Shops and Goods (2006 Published, 2018 Amended).

Description: Cross-border Trade in Services

1. Foreign service suppliers are not permitted to sell veterinary

drugs, feeds, feed additives and pesticide directly in China, and the

foreign service suppliers shall form a sales organization in the

territory of China or authorize a qualified Chinese agencies in order to do it.

- 2. Foreign services suppliers may not engage in table salt wholesale business.
- 3. China applies a system of special approval for duty-free shops.

Annex I Entry 30 -Road Transport Services

Sector: Road Transport Services

Obligations National Treatment (Article 8.2)

Concerned:

Market Access (Article 8.4)

Level of

Government:

Central

Measures: Regulation of the People's Republic of China on Road Transport

(2022);

Provisions for the Administration of International Road Transport

(2022).

Description: Cross-border Trade in Services

Foreign services suppliers may not engage in Chinese domestic road passenger or freight transport business where the starting points and ending points are all in the territory of China, and may

not illegally undertake freight of goods or canvassing passengers

inside the territory of China by themselves.

Annex I Entry 31–Water Transportation

Sector: Water Transportation

Obligations National Treatment (Article 11.2 and Article 8.2)

Concerned:

Market Access (Article 8.4)

Local Presence (Article 8.5)

Level of

Government:

Central

Measures: Maritime Law of the People's Republic of China (1993), Article 4;

Regulation on the Administration of Domestic Water Transport (2017);

Provisions on the Administration of Domestic Water Transport (2020 Amended);

Special Administrative Measures (Negative List) for the Access of Foreign Investment (2021), Article 10;

Circular of the Ministry of Communications on Strengthening the Supervision and Inspection over the Maritime Transport Between the Ports of China Undertaken by Foreign Vessels (2001);

Maritime Traffic Safety Law of the People's Republic of China (2021);

Regulations of the People's Republic of China on Administration of Traffic Safety in Inland Rivers (2019);

Law of the People's Republic of China on Ports (2018);

Regulations on Management of Ship Pilot (2021);

Measures of Foreign Investors' Participation in the Salvage of Sunken Vessels and Objects in Coastal Waters of China (2020);

Notice of the China Maritime Safety Administration on Issuing the Measures for the Administration of the Establishment of Ship Inspection Companies in China by Foreign Ship Inspection Institutions (2008);

Provision on the Administration of Port Operations (2020);

Regulation on the Administration of Foreign Labor Cooperation (2012);

Regulation of the People's Republic of China on Seamen (2020 Amended);

Provisions of the People's Republic of China on the Administration of Overseas Assignment of Seamen (2021);

Labor Contract Law of People's Republic of China (2012 Amended).

Description: <u>Investment and Cross-border Trade in Services</u>

- 1. Following conditions shall be satisfied when a foreign-invested enterprise apply for engaging in domestic water transportation: (1) the enterprise is under Chinese control in terms of investment; (2) no existing water transportation operators in China can satisfy the requirements for the applied domestic water transportation; (3) the enterprise has good performance and operation records in water transportation.
- 2. No foreign service supplier may engage in domestic water transport business or engage in water transport business in a disguised form such as leasing a Chinese vessel or shipping space. No water transport operator may use a foreign vessel to engage in domestic water transport business. However, under the circumstance where there is no Chinese vessel that can satisfy the requirements for the applied transportation, and the berthing port or water areas for the vessel is an open port or water areas, the water transport operator may, upon the approval of the competent transport authority of the State Council and within the prescribed time limit and voyage number as prescribed by the competent transport authority of the State Council, temporarily use a foreign vessel for transport.
- 3. Only juridical person established in the territory of China may

engage in maritime vessel crew services.

- 4. Only with the permission of the Chinese government, foreign vessels may engage in the towage services between the ports of China.
- 5. Foreign vessels sailing, berthing and pulling in the pilotage districts designated by competent agency of transport under the State Council (the competent agency of transport under the State Council may exempt such restriction after approval by the State Council) or sailing in the inland river should apply to the local pilot organizations for piloting.
- 6. Foreign service supplier may conclude with the Chinese party a joint salvage contract to engage in the salvage of sunken ships and sunken articles in China's coastal waters. With conditions being equal, foreign service supplier should give preference to Chinese salvage operators from whom to rent ships and equipment and hire labor services needed in the implementation of the joint salvage contract.
- 7. Only with establishment of ship inspection company in China, foreign ship inspection institution may dispatch or hire personnel to carry out ship inspection activities in China.

Annex I Entry 32 – Press

Press Sector:

Obligations National Treatment (Article 11.2 and Article 8.2)

Concerned: Market Access (Article 8.4)

Level of

Government:

Central

Measures: Regulation of the People's Republic of China on News Coverage

by Resident Offices of Foreign News Agencies and Foreign

Correspondents (2008), Article 6;

Decision of the State Council on Amending the Decision of the State Council on Establishing Administrative Licenses for the Administrative Examination and Approval Items Really Necessary

to Be Retained (2009), Article 3;

Special Administrative Measures (Negative List) for the Access of

Foreign Investment (2021), Article25;

Measures for the Administration of Release of News and

Information in China by Foreign News Agencies (2006);

Provisions for the Administration of Internet News Information

Services (2017), Article 7.

Investment and Cross-Border Trade in Services **Description:**

> 1. Foreign investor or foreign service supplier may not invest in or engage in news service, including but not limited to, news service provided through news agencies, newspapers, periodicals, radio stations and television stations, except that subject to the approval

of the Chinese government:

(a) foreign news institutions may establish resident news offices in China which could only conduct news interview, and may

dispatch resident journalists to China¹;

¹ For greater certainty, the establishment of representative offices in China by newspapers or periodicals,

- (b) under the condition that the leading position of the Chinese parties is secured, Chinese and foreign news institutions may cooperate in particular businesses.
- (c) foreign news agencies may provide news service that is specifically approved into the territory of China.
- 2. Foreign services suppliers may not engage in Internet news information service ¹ or internet public information posting service².

which only engage in news services, is subject to this subparagraph.

¹ For greater certainty, "Internet news information" includes reports and commentaries on social and public affairs such as political, economic, military and foreign affairs, as well as reports and commentaries on social emergency events. "Internet news information service" includes services in respect of internet news information collection, editing, posting, reposting, and services in respect of transmission platform, which are provided to the public through internet websites, application programs, BBS, blogs, microblogs, public accounts, instant communication tools, live internet broadcast, etc.

² For greater certainty, "Internet public information posting service" refers to services that mainly provide facilities through establishing BBS, blogs, microblogs and other information exchange platforms to users for the posting of information to the general public.

Annex I – Entry 33– Network Information Services

Sector: Network Information Services

Obligations National Treatment (Article 11.2 and Article 8.2)

Concerned: Market Access (Article 8.4)

Level of

Government:

Measures: Administrative Measures for Internet Information Services (2011

Revised);

Measures for Archival Administration of non-operational Internet

information Services (2005);

Special Administrative Measures (Negative List) for the Access of

Foreign Investment (2021), Article 17.

Description: <u>Investment and Cross-border Trade in Services</u>

1. For investments by foreign investors in the internet information searching services (information searching within a single website not included), the shareholding percentage of the foreign investors shall be no more than 50%. Foreign service supplier may not provide cross-border internet information searching services.

2. To provide profitable internet information service, foreign service supplier shall obtain a license by relevant authority. To provide non-profitable Internet information service, foreign service suppliers shall file for record its service.

Annex I Entry 34 - Professional Qualifications of Natural Person

Sector: All Sectors

Obligations
Concerned:

National Treatment(Article 8.2)

Level of

Central

Government:

Measures: Asset Appraisal Law of the People's Republic of China (2016);

Interim Provisions on the Professional Qualification System of

Asset Appraisers (2017)

Regulations on the Professional Qualification System of

Registered Urban and Rural Planners (2017);

Provisions on the Professional Qualification System of Real Estate

Appraisers (2021);

Interim Provisions on the Qualification System of Auctioneer

(1996);

Provisions on the Certified Metrology Engineer System (2019);

Implementation Measures on Certified Metrology Engineer

Qualification Examination (2019);

Regulations of the People's Republic of China on Registered

Architects (1995);

Detailed Rules for the Implementation of the Regulation of the

People's Republic of China on Registered Architects (2008);

Lawyers Law of the People's Republic of China (2017);

Administrative Measures for Practicing Lawyers (2016);

Implementation Measures for the National Uniform Legal

Profession Qualification Examination (2018);

Interim Provisions on the Registered Marine Surveyor System

(2006);

Implementation Measures on Registered Marine Surveyor Qualification Examination (2007);

Regulations on Management of Ship Piloting (2002);

Regulation of the People's Republic of China on Seamen (2020);

Regulations of the People's Republic of China Governing the Registration of Ships (2014);

Administrative Measures for Practicing Veterinarians and Village Veterinarians (2022);

Regulation on the Administration of Commercial Performances (2016);

Administrative Measures for Performance Agent (2021);

Interim Provisions on the Administration of Qualifications for Radio and TV Editing Journalists and Announcers (2004);

Administrative Measures for Press Cards (2009);

Interim Provisions on the Professional Qualification Examination for Publishing Professional and Technical Personnel (2001);

Regulations on Patent Commissioning (2018);

Regulations on Administration of Tour Guides (1999);

Interim Provisions on the Registered Surveyor System (2007);

Implementation Measures on Registered Surveyor Qualification Examination (2007);

Measures for the Qualification Assessment of Registered Surveyor (2007);

Provisions on the Administration of Certified Survey and Design Engineers (2016);

Civil Aviation Law of the People's Republic of China (2018);

Rules for the Administration of Licenses for Civil Aviation

Intelligence Officers (2010);

Rules for the Administration of Licenses for Civil Aviation Air Traffic Controllers (2016).

Description: Cross-border Trade in Services

- 1. Foreign citizens may not apply for sitting for the examination of asset appraisal and mining rights appraisal qualification.
- 2. Foreign citizens may not apply for sitting for the examination of registered urban and rural planner professional qualification.
- 3. Foreign citizens may not apply for sitting for the professional qualification examination of registered real estate appraiser.
- 4. Foreign citizens may not apply for sitting for the examination of registered auctioneer qualification.
- 5. The application for sitting for the unified nationwide qualification examination of registered architects by foreign citizens shall be conducted by the principle of reciprocity. For registration, the country where the foreign citizen located shall have signed reciprocal registration agreement with China.
- 6. Foreign citizens may not apply for sitting for the National Uniform Legal Profession Qualification Examination, or obtain legal professional qualification, or apply for becoming Chinese practice lawyer or notary.
- 7. Foreign citizens may not apply for sitting for the examination of certified survey and design engineer¹ qualification.
- 8. Foreign citizens may not register as pilot.
- 9. The captain of a Chinese vessel shall be a Chinese crew member. Foreign crew members working on Chinese vessels shall hold corresponding certificates issued by the relevant departments of the Chinese government and relevant identity documents issued by the

¹ The survey and design registration engineer includes various professional qualifications under the survey and design registration engineer in the National Vocational Qualifications Catalogue.

governments of their respective countries.

- 10. Foreign citizens may not apply for sitting for the examination of practicing veterinarians qualification, and may not apply for registration or recordation.
- 11. Foreign citizens may not apply for sitting for the examination of performance broker qualification or obtain the certificate of performance broker qualification or engage in performance brokerage activities within the territory of the People's Republic of China.
- 12. Foreign citizens may not apply for sitting for the examination of registered supervisor engineer qualification.
- 13. Foreign citizens may not apply for sitting for the examination of broadcasting and TV editorial reporter and announcer qualification or obtain related professional certificates, may not obtain the professional qualification of journalist, and may not apply for sitting for the publishing professional qualification examination or obtain the publishing professional qualification.
- 14. Foreign citizens may not apply for patent agent qualification.
- 15. Foreign citizens may not apply for sitting for the examination of tour guide qualification and may not obtain tour guide certificate or engage in tour guide activities in China.
- 16. Foreign citizens may not apply for sitting for the examination of registered surveyor qualification.
- 17. Foreign citizens may not apply for the licenses of civil aviation telecommunication personnel and civil aviation air traffic controllers.

Annex I Entry 35 – Chinese Traditional Medicine

Sector: Pharmaceutical Manufacture

Obligations

Concerned:

National Treatment (Article 11.2)

Level of

Government:

Central

Measures:

Circular of the State Food and Drug Administration on the Relevant Issues concerning the Business Scope of the Foreign-funded Enterprises that Engage in the Production of Herbal Medicines for Decoction (2006);

Special Administrative Measures (Negative List) for the Access of Foreign Investment (2021), Article 7.

Description:

Investment

Foreign investors may not invest in the application of processing techniques of Chinese medicinal decocting pieces including steaming, plain stir-baking, stir-baking with adjuvant, calcining or the manufacture of confidential prescription products of Chinese patent medicine.