

ANNEX II
SCHEDULE OF CHINA

Explanatory Notes

1. The Schedule of China to this Annex sets out, pursuant to Article 8.6 (Non-Conforming Measures) and Article 11.10 (Non-Conforming Measures), the specific sectors, subsectors, or activities for which China may maintain existing, or adopt new or more restrictive, measures that do not conform with 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) **Subsector** refers to the specific sub-sector with which the entry is concerned if mentioned.
 - (c) **Obligations Concerned** specifies the article(s) referred to in paragraph 1 that, pursuant to Article 8.6.1(a) (Non-Conforming Measures) and Article 11.10.1(a) (Non-Conforming Measures), do not apply to the sectors, subsectors, or activities scheduled in the entry;
 - (d) **Description** sets out the scope of the sectors, subsectors, or activities covered by the entry; and
 - (e) **Existing Measures** identifies, for transparency purposes, existing measures that apply to the sectors, subsectors, or activities covered by the entry.

3. In accordance with Article 8.6.2 (Non-Conforming Measures) and Article 11.10.2 (Non-Conforming Measures), the articles of this Agreement specified in the Obligations Concerned element of an entry do not apply to the sectors, subsectors, or activities identified in the Description element of that entry.

4. For the purposes of the Schedules of China to this Annex, “**foreign investor**” means any investor of the other Party or a non-Party.

Annex II
SCHEDULE OF CHINA

Annex II Entry 1 – Social Services

Sector:	Social Services
Obligations Concerned:	National Treatment (Article 11.2 and Article 8.2) Most-Favored-Nation Treatment (Article 11.3 and Article 8.3) Performance Requirements (Article 11.8) Senior Management and Boards of Directors (Article 11.9) Market Access (Article 8.4) Local Presence (Article 8.5)
Description:	<u>Investment and Cross-border Trade in Services</u> China reserves the right to adopt or maintain any measure in the following areas: provision of law enforcement and correctional services, provision of social services established or maintained for public purposes, including: social security or social insurance, social welfare ¹ , public education, public training, health and child care ² .

¹ For greater certainty, social welfare includes protection of interests of the group of preferential treatment, households enjoying the minimum living guarantee, aged people, the disabled and children.

² This entry does not apply to Services for the aged (part of CPC 93311 and 93323) which is listed in Annex II Appendix A.

Annex II Entry 2 – Atomic Energy

Sector:	Atomic Energy
Obligations	National Treatment (Article 11.2)
Concerned:	Most-Favored-Nation Treatment (Article 11.3)
	Performance Requirements (Article 11.8)
	Senior Management and Boards of Directors (Article 11.9)
Description:	<u>Investment</u> China reserves the right to adopt or maintain any measure with respect to the storage, transportation and reprocessing of spent fuels, decommissioning of nuclear facilities and disposal of radioactive wastes, as well as nuclear import business.

Annex II Entry 3 – Ethnic Minorities

Sector:	Ethnic Minorities ¹
Obligations Concerned:	National Treatment (Article 11.2 and Article 8.2) Most-Favored-National Treatment (Article 11.3 and Article 8.3) Performance Requirements (Article 11.8) Senior Management and Boards of Directors (Article 11.9) Market Access (Article 8.4) Local Presence (Article 8.5)
Description:	<u>Investment and Cross-border Trade in Services</u> China reserves the right to adopt or maintain any measure that grants rights or preferences to places which are ethnic minorities areas ² with the view to balance economic development and maintain social justice.

¹ For the purpose of this entry, “ethnic minorities” refer to 55 non-Han minorities that have less population than Han nationality in 56 ethnic nationalities identified and recognized by the Chinese central government.

² For the purpose of this entry, “ethnic minority areas” refers to:

(a) autonomous regions, prefectures and counties as set forth in the *Constitution Law of the People’s Republic of China* and the *Law on Regional Ethnic Autonomy*;

(b) ethnic townships and towns inhabited by ethnic minorities according to *Regulations on the Administrative Work of Ethnic Townships* approved by the State Council; and

(c) the three provinces of Yunnan, Guizhou, and Qinghai.

Annex II Entry 4–Traditional Crafts

Sector:	Traditional Crafts and Chinese Traditional Medicine
Obligations	National Treatment (Article 11.2)
Concerned:	Most-Favored-Nation Treatment (Article 11.3)
	Performance Requirements (Article 11.8)
	Senior Management and Boards of Directors (Article 11.9)
Description:	<u>Investment</u>
	China reserves the right to adopt or maintain any measure with respect to the traditional crafts ¹ including production of rice paper and ink stick.

¹For the purpose of this entry, “traditional crafts” refers to the crafts and related products which have historical inheritance and ethnic or regional characteristics, closely related to daily life, mainly using manual labor for production. As a customized production using creative manual labor and distinctive skills based on materials, it has the characteristics that industrial production can not replace.

Annex II Entry 5–Protection of Biological Resources

Sector:	Protection of Biological Resources ¹
Obligations Concerned:	National Treatment (Article 11.2 and Article 8.2) Performance Requirements (Article 11.8) Market Access (Article 8.4) Most-Favored-Nation Treatment (Article 8.3) Local Presence (Article 8.5)
Description:	<u>Investment and Cross-border Trade in Services</u> China reserves the right to adopt or maintain any measure with respect to the collection, acquisition and development of biological resources ² (including human, animal, plant and microbe resources) under national protection.

¹ For greater certainty, this entry does not affect the commitments of China in the biological resources sector as set out in Annex 1 Entry 1-Seed Industry of China' s schedule.

² For the purpose of this entry, biological resources includes genetic resources, organisms or parts thereof, populations, or any other biotic component of ecosystems with actual or potential use or value for humanity.

Annex II Entry 6 –All Sectors

Sector:	All Sectors
Obligations Concerned:	National Treatment (Article 11.2) Most-Favoured-Nation Treatment (Article 11.3) Prohibition of Performance Requirements (Article 11.8) Senior Management and Board of Directors (Article 11.9)
Measures:	- Law of the People’s Republic of China on the Administration on Activities of Overseas Non-Governmental Organisations within the Territory of China (2016); - Regulations on the Administration of Foundations (2004), Article 6, Article 13, Article 23 and Article 24.
Description:	<u>Investment</u> China reserves the right to adopt or maintain the following measures with respect to non-government organizations (including but not limited to private non-enterprise units, social groups, foundations, foreign non-government organizations and other civil social organizations and their representative institutions).

Annex II Entry 7–Land

Sector:	Land
Obligations Concerned:	National Treatment (Article 11.2) Most-Favored-Nation Treatment (Article 11.3) Performance Requirements (Article 11.8) Senior Management and Boards of Directors (Article 11.9)
Measures:	Land Administration Law (2019 Amended), Article 2, Article 4 of Chapter 1, Chapters 2, 4, and 5; Forestry Law (2019 Amended), Chapters 2 and 6; Grassland Law (2013), Article 10, Article 11, Article 13; Fisheries Law (2013 Amended), Article 8; Law on the Contracting of Rural Land (2018 Amended).
Description:	<u>Investment</u> China reserves the right to adopt or maintain any measure with respect to restricting foreign investors and their investments in the use or contracted management of agricultural land ¹ .

¹ For the purpose of this entry, agricultural land refers to the land directly used for agricultural production, including arable land, forest land, grass land, land for farm and water conservancy, waters for aquaculture, etc.

Annex II Entry 8 –All Sectors

Sector:	All Sectors (state-owned assets) ¹
Obligations Concerned:	National Treatment (Article 11.2 and Article 8.2) Performance Requirements (Article 11.8) Senior Management and Board of Directors (Article 11.9) Market Access (Article 8.4) Local Presence (Article 8.5)
Description:	<u>Investment and Cross-Border Trade in Services</u> China reserves the right to adopt or maintain any measure with respect to the evaluation, transfer and disposition of state-owned assets. ²

¹ For greater certainty, this entry does not apply to the evaluation, transfer or disposition of assets which are no longer state-owned assets after being transacted.

² For the purpose of this entry, state-owned assets refer to the rights and interests by virtue of all forms of investments directly or indirectly made by the State in an enterprise.

Annex II Entry 9–All Sectors

Sector:	All Sectors
Obligations Concerned:	Most-Favored-Nation Treatment (Article 11.3 and Article 8.3)
Description:	<p><u>Investment and Cross-Border Trade in Services</u></p> <p>With respect to Cross-Border Trade in Services and the establishment, acquisition, and expansion of investments:</p> <p>(a) China reserves the right to adopt or maintain any measure that accords differential treatment to countries under any bilateral or multilateral international agreement in force or signed prior to the date of entry into force of this Agreement.</p> <p>(b) China reserves the right to adopt or maintain any measures that accords differential treatment to the parties under any existing or future bilateral or multilateral international agreement which liberalises service in accordance with Article V of <i>General Agreement of Trade in Services (GATS)</i> or liberalises investment provided the agreement has substantial sector coverage in terms of number of sectors, and provides for the absence or elimination of substantially all discrimination in the covered sectors either at the entry into force of that agreement or on the basis of a reasonable time-frame.</p> <p>(c) China reserves the right to adopt or maintain any measure that accords differential treatment to countries under any international agreement in force or signed after the date of entry into force of this Agreement involving:</p> <ul style="list-style-type: none">(i) Aviation;(ii) Fisheries;(iii) Maritime matters, including rescue;(iv) Telecommunication;(v) Education Services; and(vi) Cultural Services.

Annex II Entry 10–All Sectors

Sector:	All Sectors
Obligations Concerned:	National Treatment (Article 11.2 and Article 8.2) Most-Favored-Nation Treatment (Article 11.3 and Article 8.3) Performance Requirements (Article 11.8) Senior Management and Board of Directors (Article 11.9) Market Access (Article 8.4) Local Presence (Article 8.5)
Description:	<u>Investment and Cross-border Trade in Services</u> China reserves the right to adopt or maintain any measure with respect to any special arrangement or favorable treatment for any investor, as well as any investment thereof, and service supplier from (1) Hong Kong, China; (2) Macao, China; and (3) Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu (Chinese Taipei) .

Annex II Entry 11 – Lottery

Sector:	Lottery and Gambling Services
Obligations Concerned:	National Treatment (Article 11.2 and Article 8.2) Market Access (Article 8.4) Performance Requirements (Article 11.8) Senior Management and Board of Directors (Article 11.9) Local Presence (Article 8.5)
Measures:	<i>Regulations on Lottery management (2009).</i>
Description:	<u>Investment and Cross-border Trade in Services</u> China reserves the right to adopt or maintain any measure with respect to the lottery sector.

Annex II Entry 12 – Gambling Services

Sector:	Lottery and Gambling Services
Obligations	National Treatment (Article 8.2)
Concerned:	Market Access (Article 8.4)
	Local Presence (Article 8.5)
Description:	<u>Cross-border Trade in Services</u> China reserves the right to adopt or maintain any measure with respect to the gambling sector.

Annex II Entry 13– Services related to Religion

Sector:	Services related to religion
Obligations	National Treatment (Article 8.2)
Concerned:	Market Access (Article 8.4)
	Most Favored Nation Treatment (Article 8.3)
	Local Presence (Article 8.5)
Description:	<u>Cross-border Trade in Services</u>
	China reserves the rights to adopt or maintain any measure with respect to services and activities related to religion.

Annex II Entry 14– Culture

Sector:	Culture
Obligations	National Treatment (Article 11.2 and Article 8.2)
Concerned:	Market Access (Article 8.4) Most Favored Nation Treatment (Article 11.3 and Article 8.3) Local Presence (Article 8.5) Performance Requirements (Article 11.8) Senior Management and Boards of Directors (Article 11.9)
Description:	<u>Cross-border Trade in Services and Investment</u> 1. China reserves the right to adopt or maintain any measure in the following areas: (a) The editing, publication, and production of books, newspapers, periodicals, audio and video products and electronic publication; (b) Radio and television broadcasting and transmitting services, production and operation business of radio and television programs ¹ , video on demand services, radio station, television station, radio and television channel (rate), radio and television transmission coverage network; (c) The production, distribution, cinema line and introduction of films; (d) The protection of cultural relics and intangible cultural heritage; (e) Literary and artistic creation and performance, grade test of social art skills; (f) Network publication, network audio and visual and Internet culture operation ² ;

¹ including production, introduction and purchase radio and television programs.

² In accordance with *Administrative Provisions on Online Publishing Services, Administrative Provisions on Network Audio and Visual Program Services, Interim Administrative Provisions on*

(g) Public culture¹.

2. Chinese control is required for investments by foreign investors in investigations of television or broadcast audience ratings.

3. The reservation under this entry does not affect *China's commitments under General Agreement of Trade in Services (GATS)*.

Internet Culture.

¹ For greater certainty, public culture includes the establishment and operation of culture pavilion, library, fine art museum, culture center, museums, and foreign culture exchanges.

Annex II Entry 15– Research and Experimental Development Services on Social Sciences and Humanities

Sector:	Research and Experimental Development Services on Social Sciences and Humanities ¹
Obligations Concerned:	National Treatment (Article 11.2 and Article 8.2) Market Access (Article 8.4) Most Favored Nation Treatment (Article 11.3 and Article 8.3) Local Presence (Article 8.5) Performance Requirements (Article 11.8) Senior Management and Boards of Directors (Article 11.9)
Description:	<u>Cross-border Trade in Services and Investment</u> China reserves the right to adopt or maintain any measure with respect to Research & Development Services on Social Sciences and Humanities.

¹ Research and experimental development services on social sciences and humanities means the services under CPC 852 in accordance with the 1991 Provisional Central Product Classification of the United Nations Statistical Office (CPC), including R&D services on cultural sciences, sociology and psychology (CPC 85201), R&D services on economics (CPC 85202), R&D services on law (CPC 85203), R&D services on linguistics and languages (CPC85204) and R&D services on other social sciences and humanities (CPC 85209).

Annex II Entry 16– Internet Security

Sector:	Internet Services
Obligations	National Treatment (Article 8.2)
Concerned:	Market Access (Article 8.4)
	Most Favored Nation Treatment (Article 8.3)
	Local Presence (Article 8.5)
Description:	<u>Cross-border Trade in Services</u>
	China reserves the right to adopt or maintain any measure according to <i>the Cybersecurity Law of the People's Republic of China</i> and related laws and regulations.

Annex II Entry 17– All Sectors

Sector:	All Sectors
Obligations Concerned:	National Treatment (Article 11.2 and Article 8.2) Most Favored Nation Treatment (Article 11.3 and Article 8.3) Performance Requirements (Article 11.8) Senior Management and Boards of Directors (Article 11.9) Market Access (Article 8.4) Local Presence (Article 8.5)
Description:	<p><u>Investment and Cross-border Trade in Services</u></p> <ol style="list-style-type: none">1. China reserves the right to adopt or maintain any measure with respect to new industries and new services.2. China shall notify prior to adopting a measure with respect to new service or a new industry inconsistent with the above-mentioned obligations. At the request of either Party, the Parties shall enter into negotiations with regard to the liberalisation commitments for the new service or new industry.3. For the purposes of this entry:<ol style="list-style-type: none">(a) The term "new industry" means an economic activity that at the date of entry into force of the Agreement is:<ol style="list-style-type: none">(i) not currently in existence in the territory of either Party; and(ii) an existing economic activity not covered or defined in the International Standard Industrial Classification of All Economic Activities (ISIC), Rev.4 ("ISIC Rev.4").(b) The term "new services" means a service that at the date of entry into force of the Agreement is:<ol style="list-style-type: none">(i) not currently in existence in the territory of a Party; and(ii) an existing service not covered or defined in the 1991

Provisional Central Product Classification of the United Nations Statistical Office (CPC).

4. For greater certainty, this entry does not apply to a service or economic activity that could be classified in the ISIC Rev.4 or the CPC, but that could not previously be supplied on a cross-border basis due to lack of technical feasibility.

Annex II Entry 18– Technical Consulting Services, exploration and exploitation of natural resource

Sector: Technical Consulting Services, exploration and exploitation of natural resource

Obligations National Treatment (Article 8.2)

Concerned: Market Access (Article 8.4)

Local Presence (Article 8.5)

Measures: Provisions on Administration of Foreign-related Marine Scientific Research (1996);

Provisions Governing the Laying of Submarine Cables and Pipelines (1989);

Law on Exclusive Economic Zone and the Continental Shelf (1998);

Mineral Resources Law (2009 Amended), Article 3, 16;

Regulation of the People’s Republic of China on the Hydrology (2017).

Description: Cross-border Trade in Services

1. China reserves the right to adopt or maintain any measure with respect to surveying and mapping, meteorology, hydrology, seismic monitoring, marine scientific research, laying of submarine cables and pipelines, etc. within the territory, territory airspace, and the sea areas under the jurisdiction of China. China reserves the right to adopt or maintain any measure with respect to natural resource exploration and development within the sea areas under the jurisdiction of China.

2. This reservation does not apply to obligation under Article 8.4 (Market Access) or Article 8.2 and Article 11.2 (National Treatment) in respect of a service provided by mode (1) and mode (2) in the following sectors:

(a) Related scientific technical consulting services (CPC 8675):

(i) Offshore oil-field services, geological, geophysical and other scientific prospecting services (CPC 86751), and

(ii) Sub-surface surveying services (CPC 86752); and

(b) Onshore oil-field services.

3. For the purposes of this Entry: mode (1) refers to the supply of a service from the territory of one Party into the territory of the other Party; mode (2) refers to the supply of a service in the territory of one Party by a person of that Party to a person of the other Party.

Annex II Entry 19– Education

Sector: Education

Obligations National Treatment (Article 8.2)

Concerned: Market Access (Article 8.4)

Local Presence (Article 8.5)

Description: Cross-border Trade in Services

China reserves the right to adopt or maintain any measure with respect to any cross-border educational services¹.

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 II Entry 20 – Tourism

Sector:	Tourism and Travel Related Services
Obligations	National Treatment (Article 11.2 and Article 8.2)
Concerned:	Performance Requirements (Article 11.8)
	Most-Favored-Nation Treatment (Article 11.3 and Article 8.3)
	Market Access (Article 8.4)
Description:	<u>Investment and Cross-border Trade in Services</u>
	China reserves the right to adopt or maintain any measure with respect to foreign-invested enterprises' travel agencies and tour operators engaging in the activities of Chinese travelling abroad and to Hong Kong China, Macao China and Chinese Taipei ¹ .

¹ This entry does not apply to Hotels (including apartment buildings) and Restaurants (CPC 641-643) and Travel Agency and Tour Operator (CPC 7471) which are listed in Annex II Appendix A.

Annex II Entry 21– Air Transportation

Sector:	All Sectors
Obligations Concerned:	National Treatment (Article 11.2 and Article 8.2) Most Favored Nation Treatment (Article 11.3 and Article 8.3) Performance Requirements (Article 11.8) Senior Management and Boards of Directors (Article 11.9) Market Access (Article 8.4) Local Presence (Article 8.5)
Measures:	Civil Aviation Law of the People's Republic of China (2021); Relevant Bilateral Air Agreements; Interim Provisions on the Licensing of the Direct Access to and Use of Foreign Computer Reservation Systems by the Sales Agents within the Chinese Territory Designated by Foreign Air Transportation Enterprises (2016) ; Provisions on Permission for Using Transport Airports (2022) ; Rules on Air Traffic Control of China's Civil Aviation (2017) ; Rules for Managing the Air Traffic Control Training in Civil Aviation (2016) ; Rules for the Administration of Civil Aviation Intelligence Training (2016) .
Description:	<u>Investment and Cross-border Trade in Services</u> 1. China reserves the right to adopt or maintain any measure affecting cross-border supply of: (a) aircraft repair and maintenance services (CPC 8868); (b) the selling and marketing of air transport services; (c) computer reservation system (CRS) services.

2. This reservation does not apply to obligations under Article 8.4 (Market Access) or Article 8.2 and Article 11.2 (National Treatment) in respect of the supply of a service:

(a) by mode (1) and mode (2) in respect of rental / leasing services relating to aircraft without operators;

(b) by mode (2) in respect of the following services:

(i) computer reservation system (CRS) services;

(ii) aircraft repair and maintenance services (CPC 8868); or

(c) by mode (1) in respect of computer reservation system (CRS) services, based on the following limitations:

- Foreign Computer Reservation System, may provide services to Chinese aviation enterprises and Chinese aviation agents by connecting with Chinese Computer Reservation System,

- Foreign Computer Reservation System may provide services to representative offices and sales offices established in the destination cities in China by foreign aviation enterprises which have the right to engage in business according to the bilateral aviation agreements, and

- Direct access to and use of foreign Computer Reservation System by Chinese aviation enterprises and agents of foreign aviation enterprises are subject to approval of the General Administration of Civil Aviation of China (CAAC).

3. For the purposes of this Entry: mode (1) refers to the supply of a service from the territory of one Party into the territory of the other Party; mode (2) refers to the supply of a service in the territory of one Party by a person of that Party to a person of the other Party.

4. China reserves the right to adopt or maintain any measure affecting investments in air transport and air transport-related services.

5. This reservation does not apply to obligations under Article 8.4 (Market Access) or Article 8.2 and Article 11.2 (National Treatment) in respect of investments:

(a) in Computer Reservation System (CRS) services, based on the following limitations:

(i) foreign service suppliers are permitted to establish partly foreign-invested enterprises with Chinese Computer Reservation System in China.

(ii) The Chinese side shall hold controlling shares or be in a dominant position in the enterprises.

(iii) Licenses for the establishment of enterprises are subject to economic needs test;

(b) in Aircraft Repair and Maintenance services (CPC 8868), based on the following limitations:

(i) foreign service suppliers are permitted to establish partly foreign-invested aircraft repair and maintenance enterprises in China. The Chinese side shall hold controlling shares or be in a dominant position in the partly foreign-invested enterprises;

(ii) the partly foreign-invested enterprises have the obligation to undertake business in the International market.

(c) in rental / leasing services relating to aircraft without operators, based on the following limitations:

(i) wholly foreign-owned subsidiaries are permitted;

(ii) service suppliers shall have global assets of US\$ 5 million.

Annex II Entry 22– Air Transportation

Sector:	All Sectors
Sub-Sector:	Air Transport Services - Passengers Transportation by Air Freight Transportation by Air
Obligations Concerned:	National Treatment (Article 11.2 and Article 8.2) Most Favored Nation Treatment (Article 11.3 and Article 8.3) Performance Requirements (Article 11.8) Senior Management and Boards of Directors (Article 11.9) Market Access (Article 8.4) Local Presence (Article 8.5)
Description:	<u>Investment and Cross-Border Trade in Services</u> China reserves the right to adopt or maintain any measure relating to requirements of China's bilateral and multilateral air services agreements.

Annex II Entry 23 – Foreign Debts

Sector:	Financial Services
Obligations Concerned:	National Treatment (Article 11.2 and Article 8.2) Market Access (Article 8.4) Financial Services Cross-border Trade (Article 9.5)
Level of Government:	Central
Description:	<u>Investment and Cross-border Trade in Services</u> China reserves the right to adopt or maintain any measures with regard to the borrowing of foreign debts by domestic enterprises and individuals pursuant to the foreign debt administration regime.

Annex II Entry 24–Import and Export

Sector:	Wholesale - Import and Export
Obligations Concerned:	National Treatment (Article 11.2)
Level of Government:	Central
Measures:	Foreign Trade Law of the People's Republic of China (2016), Article 11; Regulation of the People's Republic of China on the Administration of the Import and Export of Goods (2001), Article 45.
Description:	<u>Investment</u> The import or export of the following goods into or outside China are subject to state trading administration, and Chinese government reserves the right to determine and announce to public the list of the enterprises that may engage in the import state trading or export state trading: (a) Goods of which the import is subject to state trading administration refer to the goods listed in Annex 2A1 to the Protocol on the Accession of the People's Republic of China (WT/L/432), excluding vegetable oil; (b) Goods of which the export is subject to the state trading administration refer to the goods as listed in Annex 2A2 to the Protocol on the Accession of the People's Republic of China (WT/L/432) and tobacco monopoly products, excluding yarn and non-bleached yarn.

Annex II Entry 25 – All sectors

Sector:	All sectors
Obligations Concerned:	Most-Favored-Nation Treatment (Article 8.3) National Treatment (Article 8.2) Market Access (Article 8.4)
Description:	<u>Cross-border Trade in Services</u> China reserves the right to adopt or maintain any measure with respect to the supply of service by the presence of natural persons, or other movement of natural persons, including immigration, entry or temporary stay, subject to the provisions of Chapter 10 (Temporary Entry for Business Person).

Annex II Entry 26– All Sectors

Sector: All Sectors (not including Financial Services)

**Obligations
Concerned:** Market Access (Article 8.4)

Description: Cross-border Trade in Services

China reserves the right to adopt or maintain any measure affecting trade in services through commercial presence of a Nicaraguan service supplier in its territory that is not consistent with Article 8.4 (Market Access), except for China's commitments under Article XVI of *General Agreement on Trade in Services (GATS)* as set out in China's Schedule of Specific Commitments under *GATS* and China's modifications in the Appendix A.

APPENDIX A

For the following Sectors, China's Obligations under Article XVI of the General Agreement on Trade in Services as set out in China's Schedule of Specific Commitments under the General Agreement on Trade in Services (GATS) (GATS/SC/135, GATS/SC/135/Corr.1, GATS/SC/135/Corr.2) are improved as described.

Sector/Subsector	Market Access Improvements
1. BUSINESS SERVICES	
A. Professional Services	
a. Legal Services (CPC 861, excluding Chinese law practice)	For mode 3 limitations: The geographic and quantitative limitations for representative offices are eliminated for mode 3.
c. Taxation services (CPC 8630)	Modify mode 3 limitations as "None"
d. Architectural services (CPC 8671) e. Engineering services (CPC 8672) f. Integrated engineering services (CPC 8673)	Modify mode 3 limitations as "None."
g. Urban planning services (except general urban planning) (CPC 8674)	Modify mode 3 limitations as "None".
B. Computer and Related Services	
(Computer and related services do not cover the economic activity consisting of the provision of content services which require computer and related services as a means	

Sector/Subsector	Market Access Improvements
of supply)	
b. Software implementation services (CPC 842) c. Data processing services (CPC 843) - Input preparation services (CPC 8431)	Modify mode 3 from “Only in the form of joint ventures, with foreign majority ownership permitted” to “Wholly Foreign-owned enterprises are allowed”.
- Maintenance and repair services of office machinery and equipment including computers (CPC 845 and 886)	Modify mode 3 limitations as follows: “Wholly foreign-owned subsidiaries are permitted”.
D. Real Estate Services	
a. Real estate services involving own or leased property (CPC 821)	Modify mode 3 from “None except for the following: Wholly foreign-owned enterprises are not permitted for high standard real estate projects, such as apartments and office buildings, but excluding luxury hotels” to “None”.
b. Real estate services on a fee or contract basis (CPC 822)	Modify mode 3 from “Only in the form of joint ventures, with foreign majority ownership permitted” to “None”.
E. Rental and leasing services (CPC 831, 832, excluding CPC 83202)	Insert new commitments with “Wholly foreign - owned enterprises are allowed. Foreign service suppliers are required to have global assets of US\$ 5 million.”for mode 3.
F. Other Business Services	
a. Advertising Services (CPC 871)	Modify mode 3 limitations as “None”.
b. Market research services (CPC 86401, only limited to investigation services designed to secure information on the prospects and performance of	Insert new commitments with “Only in the form of partly foreign-invested enterprises, partly foreign-invested enterprises with foreign majority ownership are permitted. Economic needs tests are

Sector/Subsector	Market Access Improvements
an organization's products in the market)	required" for mode 3.
c. Management Consulting services (CPC 865)	Modify mode 3 limitations as follows: "Wholly foreign-owned subsidiaries are permitted".
d. Services related to management consulting (only limited to the following sub-sector) - Project management services other than for construction (CPC 86601)	Insert new commitments with "Only partly foreign-invested enterprises with foreign majority ownership are permitted. Economic needs tests are required" for mode 3.
e. Technical testing and analysis services (CPC 8676) and freight inspection covered by CPC 749, excluding statutory inspection services for freight inspection services	Modify mode 3 limitations as "None".
g. Services incidental to manufacturing (CPC 884, 885, except for 88442, and excluding prohibited or restricted industries for foreign service suppliers by Chinese laws and regulations, and excluding services China considers relating to its national security interests.)	Insert new commitments with "Wholly foreign-owned subsidiaries are allowed" for mode 3.
h. Placement and supply services of Personnel (CPC 872)	Insert new commitments with "None" for mode 3.
m. Related scientific and technical consulting services (CPC 8675) - Geological, geophysical (excluding regional gravity and magnetism prospecting	Modify mode 3 limitations as "None".

Sector/Subsector	Market Access Improvements
<p>services) and other scientific prospecting services (CPC 86751)</p> <p>- Sub-surface surveying services (CPC 86752)</p>	
<p>- Onshore oil-field services</p>	<p>Modify mode 3 limitations as follows:</p> <p>“For domestic and foreign invested enterprises established in China with net assets of less than 300 million yuan: Only in the form of petroleum exploitation in cooperation with China National Petroleum Corp. (CNPC) or China Petroleum & Chemical Corporation (SINOPEC) in the designated areas approved by the Chinese government.</p> <p>In order to carry out the petroleum contract, the foreign service supplier shall establish a branch, subsidiary or representative office within the territory of the People's Republic of China and go through registration formalities in accordance with the laws. The domiciles of the said offices shall be determined through consultation with CNPC or SINOPEC.</p> <p>The foreign service supplier shall open its bank account with a bank approved by the Chinese authorities to engage in foreign exchange business within the Chinese territory.</p> <p>For domestic and foreign invested enterprises established in China with net assets of no less than 300 million yuan: engage in oil and gas exploration and exploitation shall in compliance with safety, environmental protection and other qualification requirements and regulations, and with corresponding technical capabilities for oil and gas exploration and exploitation, could gain oil and gas exploration and exploitation rights</p>

Sector/Subsector	Market Access Improvements
	independently.”
- Maintenance and repair services (CPC 633, 6112 and 6122)	Modify mode 3 limitations as follows: “Wholly foreign-owned subsidiaries are permitted”.
o. Building-cleaning services (CPC 874)	Insert new commitments with “Wholly foreign-owned enterprises are permitted” for mode 3.
q. Packaging services (CPC 876)	Modify mode 3 limitations as follows: “None”.
r. Printing of packaging materials, on a fee or contract basis (Only limited to the printing of packaging materials)	Insert new commitments with “Wholly foreign-owned enterprises are permitted. Economic needs tests are required” for mode 3.
t. Translation and interpretation services (CPC 87905)	Modify mode 3 limitations as follows: “Wholly foreign-owned enterprises are permitted”.
2. COMMUNICATION SERVICES	
B. Courier Services (CPC 75121, except for those specifically reserved to Chinese postal authorities by the related law at the time of China’s accession to WTO on December 11 th 2001)	Modify mode 3 limitations as follows: “Wholly foreign-owned subsidiaries are permitted” .
C. Telecommunication Services Value-added Services Including the following: (h) Electronic mail (i) Voice mail (j) On-line information and database retrieval (k) Electronic data interchange	Modify mode 3 limitations as follows: “Foreign service suppliers are permitted to establish partly foreign-invested value-added telecommunication enterprises, and foreign investment in the enterprises shall be no more than 50 per cent.”

Sector/Subsector	Market Access Improvements
<p>(l) Enhanced/Value-added facsimile services (including store and forward, store and retrieve)</p> <p>(m) Code and protocol conversion</p> <p>(n) On-line information and/or data processing (including transaction processing)</p>	
<p>Basic Telecommunication Services</p> <p>- Paging Services</p>	<p>Modify mode 3 limitations as follows: “Foreign service suppliers are permitted to establish partly foreign-invested enterprises with foreign equity participation of no more than 50 per cent”.</p>
<p>Mobile Voice and Data Services:</p> <p>- Analogue / Digital / Cellular Services</p> <p>- Personal Communication Services</p>	<p>Modify mode 3 limitations as follows: “Foreign service suppliers are permitted to establish partly foreign-invested enterprises only, and foreign investment in the enterprises shall be no more than 49 per cent”.</p>
<p>- Domestic Services</p> <p>a. Voice services</p> <p>b. Packet-switched data transmission services</p> <p>c. Circuit-switched data transmission services</p> <p>f. Facsimile services</p> <p>g. Domestic private leased circuit services</p> <p>- International Services</p> <p>a. Voice services</p> <p>b. Packet-switched data</p>	<p>Modify mode 3 limitations as follows: “Foreign service suppliers are permitted to establish partly foreign-invested enterprises only, and foreign investment in the enterprises shall be no more than 49 per cent”.</p>

Sector/Subsector	Market Access Improvements
transmission services c. Circuit-switched data transmission services f. Facsimile services g. International closed user group voice and data services (use of private leased circuit service is permitted)	
3. CONSTRUCTION AND RELATED ENGINEERING SERVICES	
(CPC 511, 512, 513 ¹ , 514, 515, 516, 517, 518 ²)	Modify mode 3 limitations as “None” .
4. DISTRIBUTION SERVICES	
A. Commission Agents’ Services (excluding salt, tobacco) B. Wholesale Trade Services (excluding salt, tobacco)	Modify mode 3 limitations as follows: “None”.
C. Retailing Services (excluding tobacco)	Modify mode 3 limitations as follows: “Wholly foreign-owned enterprises are permitted, except for: - chain stores which sell products of different types and brands from multiple suppliers with more than 30 outlets. For such chain stores with more than 30 outlets, foreign majority ownership will not be permitted if those chain stores distribute any of the following products: books, newspapers, magazines, pharmaceutical products, pesticides, mulching films, processed oil, chemical fertilizers

¹ Including dredging services relating to infrastructure construction.

² Coverage of CPC 518 is limited only to the rental and leasing services of construction and/or demolition machines with operator which are owned and used by foreign construction enterprises in their supply of services.

Sector/Subsector	Market Access Improvements
	and products listed in <i>Annex 2A (Products Subject to State Trading)</i> of the Protocol of China's WTO Accession. The foreign chain store operators will have the freedom of choice of any partner, legally established in China according to China's laws and regulations” .
D. Franchising	Modify mode 3 limitations as: “None”.
E. Wholesale or retail trade services away from a fixed location.	Modify mode 3 limitations as: “None ¹ ”.
<p>6. ENVIRONMENTAL SERVICES</p> <p>(excluding environmental quality monitoring and pollution source inspection)</p>	
<p>A. Sewage Services (CPC 9401)</p> <p>B. Solid Waste Disposal Services (CPC 9402)</p> <p>C. Cleaning Services of Exhaust Gases (CPC 9404)</p> <p>D. Noise Abatement Services (CPC 9405)</p> <p>E. Nature and Landscape Protection Services (CPC 9406 excluding the construction and operation of natural reserves and Ramsar sites)</p> <p>G. Sanitation Services (CPC 9403)</p>	<p>Modify mode 3 from “Foreign services suppliers engaged in environmental services are permitted to provide services only in the form of joint ventures, with foreign majority ownership permitted” to “None”.</p>
<p>8. HEALTH RELATED AND SOCIAL SERVICES</p>	
<p>C. Social Services</p> <p>- Services for the aged (part of</p>	<p>Insert new mode 3 commitments as follows: “Service suppliers of a Party are permitted to establish wholly foreign-owned profit-making</p>

¹ See paragraph 310 of the *Working Party Report on the Accession of China to the WTO*.

Sector/Subsector	Market Access Improvements
CPC 93311 and 93323)	institutions for the aged in China”.
9. TOURISM AND TRAVEL RELATED SERVICES	
A. Hotels (including apartment buildings) and Restaurants (CPC 641-643)	Modify mode 3 limitations as follows: “Foreign services suppliers may construct, renovate and operate hotel and restaurant establishments in China. Wholly foreign-owned subsidiaries are permitted.”
B. Travel Agency and Tour Operator (CPC 7471)	Modify mode 3 limitations as follows: “None”.
10. RECREATIONAL, CULTURAL AND SPORTING SERVICES (other than audiovisual services)	
D. Sporting and other recreational services (Only limited to CPC 96411, 96412, 96413, including yoga, excluding golf & E-Sports)	Insert new commitments with “None” for mode 3.
11. TRANSPORT SERVICES	
A. Maritime Transport Services - International transport (freight and passengers) (CPC 7211 and 7212 less cabotage transport services)	Modify mode 3 limitations as: “None”.
H. Auxiliary Services a. Maritime cargo-handling services (CPC 741) c. Customs clearance services for maritime transport d. Container station and depot services e. Maritime agency services	Modify mode 3 limitations as: “None”.

Sector/Subsector	Market Access Improvements
C. Air Transport Services d. Aircraft repair and maintenance services (CPC 8868)	Delete the limitation of “Licenses for the establishments of joint ventures are subject to economic needs test” for mode 3.
- Computer Reservation System (CRS) services	Modify mode 3 from “unbound” to “Foreign service suppliers are permitted to establish partly foreign-invested enterprises with Chinese Computer Reservation System in China. The Chinese side shall hold controlling shares or be in a dominant position in the enterprises. Licences for the establishment of enterprises are subject to economic needs test”.
Rail Transport Services - Freight transportation by rail (CPC 7112) - Supporting services for rail transport services (CPC 743)	Modify mode 3 limitations as: “None”.
E. Road Transport Services - Freight transportation by road in trucks or cars (CPC 7123)	Modify mode 3 limitations as: “None”.
Passenger Transportation - Urban and suburban regular transportation (CPC 71211) - Urban and suburban special transportation (CPC 71212) - Interurban regular transportation (CPC 71213) - Interurban special transportation (CPC 71214)	Insert new commitments with “None” for mode 3.
H. Services Auxiliary to all	For mode 3 limitations: The ownership for foreign

Sector/Subsector	Market Access Improvements
<p>modes of Transport</p> <ul style="list-style-type: none"> - Storage and warehousing services (CPC 742) 	<p>investment are eliminated for mode 3. Wholly foreign-owned subsidiaries are permitted.</p>
<ul style="list-style-type: none"> - Freight forwarding agency services (CPC 748) 	<p>Modify mode 3 limitations as follows:</p> <p>“Foreign freight forwarding agencies which have at least three consecutive years’ experience are permitted to set up partly foreign-invested freight forwarding agency in China.</p> <p>Wholly foreign-owned subsidiaries permitted.</p> <p>Operation term of the partly foreign-invested enterprises shall not exceed 20 years.</p> <p>After one year operating in China, a partly foreign-invested enterprise can set up branches.</p> <p>A foreign freight forwarding agency may set up a second partly foreign-invested enterprise after its first enterprise has been in operation for two years”.</p>
<ul style="list-style-type: none"> - Freight inspection covered by CPC 749, excluding statutory inspection services for freight inspection services 	<p>Modify mode 3 limitations as follows:</p> <p>“Foreign services suppliers which have been engaged in inspection services in their home countries for more than three years are permitted to establish partly foreign-invested enterprises conducting technical testing, analysis and freight inspection with no less than US\$ 350,000 in registered capital.</p> <p>Wholly foreign-owned subsidiaries are permitted.”</p>
12. OTHER SERVICES NOT INCLUDED ELSEWHERE	
<ul style="list-style-type: none"> - Specialty design services (CPC87907) 	<p>Insert new commitments with “None” for mode 3.</p>
<ul style="list-style-type: none"> - Hairdressing and other 	<p>Insert new commitments with “None” for mode 3.</p>

Sector/Subsector	Market Access Improvements
beauty services (CPC 9702)	