

THE PEOPLE'S REPUBLIC OF CHINA

Schedule of Specific Commitments

(For the First Package of Commitments)

THE PEOPLE'S REPUBLIC OF CHINA - SCHEDULE OF SPECIFIC COMMITMENTS

Sector or sub-sector	(1) Cross-border supply	(2) Consumption abroad	(3) Commercial presence	(4) Presence of natural persons
Sector or sub-sector	Limitations on market access		Limitation on national treatment	Additional commitments
I. HORIZONTAL COMMITMENTS ALL SECTORS INCLUDED IN THIS SCHEDULE	<p>(3) In China, foreign invested enterprises include foreign capital enterprises (also referred to as wholly foreign-owned enterprises) and joint venture enterprises and there are two types of joint venture enterprises: equity joint venture and contractual joint ventures.¹</p> <p>The proportion of foreign investment in an equity joint venture shall be no less than 25 per cent of the registered capital of the joint venture.</p> <p>The establishment of branches by foreign enterprises is unbound, unless otherwise indicated in specific sub-sectors, as the laws and regulations on branches of foreign enterprises are under formulation.</p> <p>Representative offices of foreign enterprises are permitted to be</p>		<p>(3) Unbound for all the existing subsidies to domestic services suppliers in the sectors of audio-visual, aviation and medical services.</p> <p>Unbound for all the subsidies to domestic services suppliers in any new sector and sub-sector scheduled after China's Accession to the WTO.</p>	

¹ The terms of the contract, concluded in accordance with China's laws, regulations and other measures, establishing a "contractual joint venture" govern matters such as the manner of operation and management of the joint venture as well as the investment or other contributions of the joint venture parties. Equity participation by all parties to the contractual joint venture is not required, but is determined pursuant to the joint venture contract. "Foreign invested enterprise" in this schedule means a foreign invested enterprise duly constituted or otherwise organized under "Law on Chinese-Foreign Equity Joint Ventures", "Law on Chinese-Foreign Contractual Joint Ventures" and "Law on Foreign-Capital Enterprises" .

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	<p>established in China, but they shall not engage in any profit-making activities except for the representative offices under CPC 861, 862, 863, 865 in the sectoral specific commitments.</p> <p>The land in the People's Republic of China is State-owned. Use of land by enterprises and individuals is subject to the following maximum term limitations:</p> <ul style="list-style-type: none"> (a) 70 years for residential purposes; (b) 50 years for industrial purposes; (c) 50 years for the purpose of education, science, culture, public health and physical education; (d) 40 years for commercial, tourist and recreational purposes; (e) 50 years for comprehensive utilization or other purposes. <p>(4) Unbound except for measures concerning the entry and temporary stay of natural persons who fall into one of the following categories:</p> <ul style="list-style-type: none"> (a) Managers, executives and specialists defined as senior 	<p>(4) Unbound except for the measures concerning the entry and temporary stay of natural persons who fall into the categories referred to in the market access column.</p>	

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	<p>employees of a corporation of a Party that has established a representative office, branch or subsidiary in the territory of the People's Republic of China, temporarily moving as intra-corporate transferees, shall be permitted entry for an initial stay of three years;</p> <p>(b) Managers, executives and specialists defined as senior employees of a corporation of Parties, being engaged in the foreign invested enterprises in the territory of the People's Republic of China for conducting business, shall be granted a long-term stay permit as stipulated in the terms of contracts concerned or an initial stay of three years, whichever is shorter;</p> <p>(c) Service salespersons – persons not based in the territory of the People's Republic of China and receiving no remuneration from a source located within China, and who are engaged in activities related to representing a service supplier for the purpose of negotiation for the sale of services of that supplier where:</p> <p>(a) such sales are not directly made to the general public</p>			

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	<p>and</p> <p>(b) the salesperson is not engaged in supplying the service: entry for salespersons is limited to a 90-day period.</p> <p>(d) Contractual Service Suppliers (CSS) : Foreign natural persons who enter the territory of China temporarily in order to perform a service pursuant to a contract(s) between their employers and a service consumer(s) of China. Their employers shall be a company/partner/firm of other Parties which has no commercial presence in the territory of China. CSS receive remuneration from their employer while abroad, and have appropriate educational and technical (professional) qualifications relevant to the service to be provided. Their duration of stay is subject to the duration of contract and (if longer) shall not exceed 1 year. They can not perform services which are not related to the service activity which is the subject of the contract. The services provided by CSS are only limited to the specific sectors as follows:</p>		

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Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
	<ol style="list-style-type: none"> 1. Accounting Services 2. Medical and dental services 3. Architectural services 4. Engineering services 5. Urban planning services (except general urban planning) 6. Computer and related services 7. Construction and Related Engineering Services 8. Education Services: CSS shall acquire a bachelor's degree or above, receive appropriate professional titles or certificates, and have at least 2-year professional work experience. The Chinese party involved in the contract shall be a juridical person which has the function of providing education service 9. Tourism Services <p>(e) others Installers and servicers: Qualified specialists supplying installation or maintenance services for machinery or industrial equipment. The supply of that service has to occur on a fee or contractual basis (installation/maintenance contract) between the builder of the machinery or equipment and the owner of that machinery or equipment, both of them being juridical persons. Duration of stay of the installers and servicers is subject to the</p>		

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	duration of contract, but shall not exceed 3 months. They can not perform services which are not related to the service activity which is the subject of the contract, and should have appropriate technical (professional) qualifications relevant to the service to be provided.			
II. SPECIFIC COMMITMENTS				
B. Computer and Related Services (Computer and related services do not cover the economic activity consisting of the provision of content services which require computer and related services as means of supply)	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Qualifications are as follows: certified engineers, or personnel with Bachelor's degree (or above) and three years of experience in these fields.		
(a). Consultancy services related to the installation of computer hardware (CPC 841)				
(b) Software implementation services (CPC 842)	(1) None (2) None (3) Wholly foreign-owned enterprises will be allowed. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Qualifications are as follows: certified engineers, or personnel with Bachelor's degree (or above) and three years of experience in these fields.		
(c) Data processing services (CPC 843)				
- Input preparation services (CPC 8431)				
- Data processing and tabulation services (CPC 8432)	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Qualifications are as follows: certified engineers, or personnel		
- Time-sharing services (CPC 8433)				

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			with Bachelor's degree (or above) and three years of experience in these fields.	
D. Real Estate Services	(1) None	(2) None	(1) None	
(a) Real estate services involving own or leased property (CPC 821)	(3) Wholly foreign-owned enterprises will be allowed.	(4) Unbound except as indicated in horizontal commitments.	(2) None	
	(3) Wholly foreign-owned enterprises will be allowed.	(4) Unbound except as indicated in horizontal commitments.	(3) None	
	(4) Unbound except as indicated in horizontal commitments.		(4) Unbound except as indicated in horizontal commitments.	
(b) Real estate services on a fee or contract basis (CPC 822)	(1) None	(2) None	(1) None	
	(3) Wholly foreign-owned enterprises will be allowed.	(4) Unbound except as indicated in horizontal commitments.	(2) None	
	(4) Unbound except as indicated in horizontal commitments.		(3) None	
			(4) Unbound except as indicated in horizontal commitments.	
F. Other Business Services	(1) Unbound	(2) Unbound	(1) Unbound	
(b) Market research services (CPC 86401, only limited to investigation services designed to secure information on the prospects and performance of an organization's products in the market)	(3) Only in the form of joint ventures, with foreign majority ownership permitted. Economic needs tests are required.	(4) Unbound except as indicated in horizontal commitments. Requirement for a commercial presence.	(2) Unbound	
	(4) Unbound except as indicated in horizontal commitments. Requirement for a commercial presence.		(3) Unbound	
			(4) Unbound except as indicated in horizontal commitments.	
(c) Management Consulting services (CPC 865)	(1) None	(2) None	(1) None	
	(3) Wholly foreign-owned subsidiaries will be allowed.	(4) Unbound except as indicated in horizontal commitments.	(2) None	
	(4) Unbound except as indicated in horizontal commitments.		(3) None	
			(4) Unbound except as indicated in horizontal commitments.	
(d) Services related to management	(1) None		(1) Unbound	

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consulting (only limited to the following sub-sector) - Project management services other than for construction (CPC 86601)	(2) None (3) Only in the form of joint ventures, with foreign majority ownership permitted. Economic needs tests are required. (4) Unbound except as indicated in horizontal commitments.	(2) Unbound (3) Unbound (4) Unbound except as indicated in horizontal commitments.		
(k) Placement and supply services of Personnel (CPC 872, excluding CPC 87209)	(1) Unbound (2) Unbound (3) Only in the form of joint ventures, with foreign majority ownership permitted. Economic needs tests are required. (4) Unbound except as indicated in horizontal commitments.	(1) Unbound (2) Unbound (3) Unbound (4) Unbound except as indicated in horizontal commitments.		
(o) Building-cleaning services (CPC 874)	(1) Unbound* (2) None (3) Wholly foreign-owned enterprises will be allowed. (4) Unbound except as indicated in horizontal commitments.	(1) Unbound* (2) None (3) None (4) Unbound except as indicated in horizontal commitments.		
(p) Photographic services (CPC 875)	(1) None (2) None (3) Only in the form of joint ventures, with foreign majority ownership permitted. (4) Unbound except as indicated in	(1) None (2) None (3) None (4) Unbound except as indicated in		

* Unbound due to lack of technical feasibility.

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	horizontal commitments.		horizontal commitments.	
(r) Printing of packaging materials, on a fee or contract basis (Only limited to the printing of packaging materials)	(1) Unbound (2) Unbound (3) Wholly foreign-owned enterprises will be permitted. Economic needs tests are required. (4) Unbound except as indicated in Horizontal Commitments.	(1) Unbound (2) Unbound (3) Unbound (4) Unbound except as indicated in Horizontal Commitments.		
(t) Translation and interpretation services (CPC 87905)	(1) None (2) None (3) Wholly foreign-owned enterprises will be allowed. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Qualifications are as follows: three years of experience in translation or interpretation and a good command of the working language(s).		
3. CONSTRUCTION AND RELATED ENGINEERING SERVICES				
(CPC 511, 512, 513 ² , 514, 515, 516, 517, 518 ³)	(1) Unbound* (2) None (3) Joint ventures, with foreign majority ownership will be permitted. wholly foreign-owned enterprises will be permitted. Wholly foreign-owned enterprises can only undertake the following four types of construction projects.	(1) Unbound* (2) None (3) None		

² Including dredging services relating to infrastructure construction.

³ 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.

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Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
	<p>1. Construction projects wholly financed by foreign investment and/or grants.</p> <p>2. Construction projects financed by loans of international financial institutions and awarded through international tendering according to the terms of loans.</p> <p>3. Chinese-foreign jointly constructed projects with foreign investment equal to or more than 50 per cent; and Chinese-foreign jointly constructed projects with foreign investment less than 50 per cent but technically difficult to be implemented by Chinese construction enterprises alone.</p> <p>4. Chinese invested construction projects which are difficult to be implemented by Chinese construction enterprises alone can be jointly undertaken by Chinese and foreign construction enterprises with the approval of provincial government</p> <p>(4) Unbound except as indicated in horizontal commitments.</p>	<p>(4) Unbound except as indicated in horizontal commitments.</p>	
6. ENVIRONMENTAL SERVICES (excluding environmental quality monitoring and pollution source inspection)			

Modes of supply: (1) Cross-border supply		(2) Consumption abroad	(3) Commercial presence	(4) Presence of natural persons
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments	
A. Sewage Services (CPC 9401)	(1) Unbound except for environmental consultation services.	(1) None		
B. Solid Waste Disposal Services (CPC 9402)	(2) None	(2) None		
C. Cleaning Services of Exhaust Gases (CPC 9404)	(3) Joint ventures, with foreign majority ownership will be permitted.	(3) None		
D. Noise Abatement Services (CPC 9405)	wholly foreign-owned enterprises will be permitted.			
E. Nature and Landscape Protection Services (CPC 9406)	(4) Unbound except as indicated in horizontal commitments.	(4) Unbound except as indicated in horizontal commitments.		
F. Other Environmental Protection Services (CPC 9409)				
G. Sanitation Services (CPC 9403)				
10. RECREATIONAL, CULTURAL AND SPORTIG SERVICES (other than audiovisual services)				
D. Sporting and other recreational services (Only limited to CPC 96411, 96412, 96413, excluding golf)	(1) Unbound (2) Unbound (3) Wholly foreign-owned enterprises will be allowed. Economic needs tests are required.	(1) Unbound (2) Unbound (3) Unbound		
	(4) Unbound except as indicated in horizontal commitments.	(4) Unbound except as indicated in horizontal commitments.		
11. TRANSPORT SERVICES				
C. Air Transport Services	(1) Unbound*	(1) Unbound*		
(d) Aircraft repair and maintenance	(2) None	(2) None		

* Unbound due to lack of technical feasibility.

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services (CPC 8868)	(3) Foreign service suppliers are permitted to establish joint venture aircraft repair and maintenance enterprises in China. The Chinese side shall hold controlling shares or be in a dominant position in the joint ventures.	(4) Unbound except as indicated in horizontal commitments.	(3) The joint ventures have the obligation to undertake business in the international market. (4) Unbound except as indicated in horizontal commitments	
- Computer Reservation System (CRS) services	(1) (a) Foreign Computer Reservation System, when having agreements with Chinese aviation enterprises and Chinese Computer Reservation System, may provide services to Chinese aviation enterprises and Chinese aviation agents by connecting with Chinese Computer Reservation System. (b) 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. (c) Direct access to and use of foreign Computer Reservation System by Chinese aviation		(1) None	

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	<p>enterprises and agents of foreign aviation enterprises are subject to approval of the General Administration of Civil Aviation of China (CAAC).</p> <p>(2) None</p> <p>(3) Foreign service suppliers are permitted to establish joint venture enterprises with Chinese Computer Reservation System in China. The Chinese side shall hold controlling shares or be in a dominant position in the joint ventures. Licenses for the establishment of joint ventures are subject to economic needs test.</p> <p>(4) Unbound except as indicated in horizontal commitments</p>		<p>(2) None</p> <p>(3) Unbound</p> <p>(4) Unbound except as indicated in horizontal commitments.</p>	
<p>F. Road Transport Services</p> <p>- Freight transportation by rail (CPC 7112)</p> <p>- Freight transportation by road in trucks or cars (CPC 7123)</p>	<p>(1) None</p> <p>(2) None</p> <p>(3) For road transport, wholly foreign-owned subsidiaries will be permitted.</p> <p>(4) Unbound except as indicated in horizontal commitments.</p>		<p>(1) None</p> <p>(2) None</p> <p>(3) None</p> <p>(4) Unbound except as indicated in horizontal commitments.</p>	
<p>- Maintenance and repair services of motor vehicles (CPC 61120)</p>	<p>(1) None</p> <p>(2) None</p> <p>(3) Wholly foreign-owned subsidiaries will be permitted.</p> <p>(4) Unbound, except as indicated in horizontal commitments.</p>		<p>(1) None</p> <p>(2) None</p> <p>(3) None</p> <p>(4) Unbound except as indicated in horizontal commitments.</p>	

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- Passenger transportation (CPC 71213)	(1) Unbound (2) Unbound (3) Only in the form of joint ventures, with foreign investment not to exceed 49 per cent. Economic needs tests are required. (4) Unbound except as indicated in horizontal commitments.		(1) Unbound (2) Unbound (3) None (4) Unbound except as indicated in horizontal commitments.	
H. Services Auxiliary to all Modes of Transport - Storage and warehousing services (CPC 742)	(1) Unbound (2) None (3) Wholly foreign-owned subsidiaries will be permitted. (4) Unbound except as indicated in horizontal commitments.		(1) Unbound (2) None (3) None (4) Unbound except as indicated in horizontal commitments	
- Freight forwarding agency services (CPC 748 and 749 excluding freight inspection)	(1) None (2) None (3) Foreign freight forwarding agencies which have at least three consecutive years experience are permitted to set up freight forwarding agency joint ventures in China, wholly foreign-owned subsidiaries will be permitted. Operation term of the joint ventures shall not exceed 20 years. After one year operating in China, the joint venture can set up branches. A foreign freight forwarding agency may set up a second		(1) None (2) None (3) None	

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
	joint venture after its first joint venture has been in operation for two years. (4) Unbound except as indicated in horizontal commitments.	(4) Unbound except as indicated in horizontal commitments.	