## THE PEOPLE'S REPUBLIC OF CHINA

**Schedule of Specific Commitments** 

(For the First Package of Commitments)

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

Modes of supply: (1) Cross-border	supply (2) Consumption abroad	(3) Commercial presence	(4) Presence of natural persons
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
I. HORIZONTAL COMMITMENTS			
ALL SECTORS INCLUDED IN THIS SCHEDULE	<ul> <li>(3) In China, foreign invested enterprises include foreign capital enterprises 9also 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.<sup>1</sup></li> <li>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.</li> <li>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.</li> <li>Representative offices of foreign enterprises are permitted to be</li> </ul>	<ul> <li>(3) Unbound for all the existing subsidies to domestic services suppliers in the sectors of audio-visual, aviation and medical services.</li> <li>Unbound for all the subsidies to domestic services suppliers in any new sector and sub-sector scheduled after China's Accession to the WTO.</li> </ul>	

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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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
	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.		
	sectoral specific communents.		
	The land in the People's Republic of		
	China is State-owned. Use of land by		
	enterprises and individuals is subject		
	to the following maximum term		
	limitations:		
	(a) 70 years for residential		
	purposes;		
	(b) 50 years for industrial		
	purposes;		
	(c) 50 years for the purpose of		
	education, science, culture,		
	public health and physical		
	education;		
	(d) 40 years for commercial,		
	tourist and recreational		
	purposes;		
	(e) 50 years for comprehensive utilization or other purposes.		
	(4) Unbound except for	(4) Unbound except for the	
	measures concerning the	measures concerning the entry	
	entry and temporary stay of	and temporary stay of natural	
	natural persons who fall into	persons who fall into the	
	one of the following	categories referred to in the	
	categories:	market access column.	
	(a) Managers, executives and		
	specialists defined as senior		

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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
	<ul> <li>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;</li> <li>(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</li> </ul>		
	<ul> <li>stay of three years, whichever is shorter;</li> <li>(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: <ul> <li>(a) such sales are not directly made to the general public</li> </ul> </li> </ul>		

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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 Li	mitations on market access	Limitation on national treatment	Additional commitments
(d) C	and b) the salesperson is not engaged in supplying the service: entry for salespersons is limited to a 90-day period. Contractual Service Suppliers ( CSS ) : Foreign natural		
p o p c c c c c c c c c c c c c c c c c	ersons who enter the territory f China temporarily in order to erform a service pursuant to a ontract(s) between their mployers and a service onsumer(s) of China. Their mployers shall be a ompany/partner/firm of other Parties which has no ommercial presence in the erritory of China. CSS receive emuneration from their		
h a q s d d d la T w s s s	mployer while abroad, and ave appropriate educational nd technical (professional) ualifications relevant to the ervice to be provided. Their uration of stay is subject to the uration of contract and (if onger) shall not exceed 1 year. They can not perform services <i>h</i> ich are not related to the ervice activity which is the ubject of the contract. The ervices provided by CSS are		
0	nly limited to the specific ectors as follows:		

Modes of supply: (1) Cross-border	supply (2) Consumption abroad	(3) Commercial presence	(4) Presence of natural persons
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
	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		
	(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		

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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 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.	Limitation on national treatment	Additional commitments
<ul> <li>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)</li> <li>(a). Consultancy services related to the installation of computer hardware (CPC 841)</li> </ul>	<ul> <li>(1) None</li> <li>(2) None</li> <li>(3) None</li> <li>(4) Unbound except as indicated in horizontal commitments.</li> </ul>	<ol> <li>None</li> <li>None</li> <li>None</li> <li>Qualifications are as follows: certified engineers, or personnel with Bachelor's degree (or above) and three years of experience in these fields.</li> </ol>	
<ul> <li>(c) CPC 841)</li> <li>(b) Software implementation services (CPC 842)</li> <li>(c) Data processing services (CPC 843)</li> <li>Input preparation services (CPC 8431)</li> </ul>	<ol> <li>None</li> <li>None</li> <li>None</li> <li>Wholly foreign-owned enterprises will be allowed.</li> <li>Unbound except as indicated in horizontal commitments.</li> </ol>	<ol> <li>None</li> <li>None</li> <li>None</li> <li>None</li> <li>Qualifications are as follows: certified engineers, or personnel with Bachelor's degree (or above) and three years of experience in these fields.</li> </ol>	
<ul> <li>Data processing and tabulation services (CPC 8432)</li> <li>Time-sharing services (CPC 8433)</li> </ul>	<ul> <li>(1) None</li> <li>(2) None</li> <li>(3) None</li> <li>(4) Unbound except as indicated in horizontal commitments.</li> </ul>	<ul> <li>(1) None</li> <li>(2) None</li> <li>(3) None</li> <li>(4) Qualifications are as follows: certified engineers, or personnel</li> </ul>	

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

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

<sup>\*</sup> Unbound due to lack of technical feasibility.

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9

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Modes of supply: (1) Cross-border		(3) Commercial presence	(4) Presence of natural persons
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
	horizontal commitments.	horizontal commitments.	
<ul> <li>(r) Printing of packaging materials, on a fee or contract basis (Only limited to the printing of packaging materials)</li> </ul>	<ul> <li>(1) Unbound</li> <li>(2) Unbound</li> <li>(3) Wholly foreign-owned enterprises will be permitted. Economic needs tests are required.</li> <li>(4) Unbound except as indicated in Horizontal Commitments.</li> </ul>	<ul> <li>(1) Unbound</li> <li>(2) Unbound</li> <li>(3) Unbound</li> <li>(4) Unbound except as indicated in Horizontal Commitments.</li> </ul>	
<ul> <li>(t) Translation and interpretation services (CPC 87905)</li> </ul>	<ol> <li>None</li> <li>None</li> <li>None</li> <li>Wholly foreign-owned enterprises will be allowed.</li> <li>Unbound except as indicated in horizontal commitments.</li> </ol>	<ul> <li>(1) None</li> <li>(2) None</li> <li>(3) None</li> <li>(4) Qualifications are as follows: three years of experience in translation or interpretation and a good command of the working language(s).</li> </ul>	
3. CONSTRUCTION AND RELATED ENGINEERING SERVICES			
(CPC 511, 512, 513 <sup>2</sup> , 514, 515,516, 517, 518 <sup>3</sup> )	<ol> <li>Unbound*</li> <li>None</li> <li>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.</li> </ol>	<ul> <li>(1) Unbound*</li> <li>(2) None</li> <li>(3) None</li> </ul>	

2

 <sup>2</sup> Including dredging services relating to infrastructure construction.
 <sup>3</sup> 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.
 <sup>4</sup> Unbound due to lack of technical feasibility. 3

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

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

\* Unbound due to lack of technical feasibility.

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Modes of supply: (1) Cross-border	' suppl	y (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
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.	<ul> <li>(3) The joint ventures have the obligation to undertake business in the international market.</li> </ul>
	(4)	Unbound except as indicated in horizontal commitments.	(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.	(1) None
	(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	

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Modes of supply: (1) Cross-border s	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
	enterprises and agents of foreign aviation enterprises are subject to approval of the General Administration of Civil Aviation of China (CAAC).		
	<ul> <li>(2) None</li> <li>(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.</li> </ul>	(2) None (3) Unbound	
	<ul> <li>(4) Unbound except as indicated in horizontal commitments</li> </ul>	<ul><li>(4) Unbound except as indicated in horizontal commitments.</li></ul>	
F. Road Transport Services	(1) None	(1) None	
<ul> <li>Freight transportation by rail (CPC 7112)</li> <li>Freight transportation by road in</li> </ul>	<ul> <li>(2) None</li> <li>(3) For road transport, wholly foreign-owned subsidiaries will be permitted.</li> </ul>	<ul><li>(2) None</li><li>(3) None</li></ul>	
trucks or cars (CPC 7123)	<ul><li>(4) Unbound except as indicated in horizontal commitments.</li></ul>	<ul><li>(4) Unbound except as indicated in horizontal commitments.</li></ul>	
- Maintenance and repair services of motor vehicles (CPC 61120)	<ol> <li>None</li> <li>None</li> <li>Wholly foreign-owned subsidiaries will be permitted.</li> </ol>	<ul><li>(1) None</li><li>(2) None</li><li>(3) None</li></ul>	
	(4) Unbound, except as indicated in horizontal commitments.	<ul><li>(4) Unbound except as indicated in horizontal commitments.</li></ul>	

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

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	(4) Unbound except as indicated in	
	horizontal commitments.	horizontal commitments.	

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