

# Agreement Concerning Amendment to the CEPA Agreement on Trade in Services to be implemented on June 1

Under the framework of the Mainland and Hong Kong Closer Economic Partnership Arrangement (CEPA), the Mainland and Hong Kong signed the Agreement Concerning Amendment to the CEPA Agreement on Trade in Services (Amendment Agreement) on November 21, 2019. The Amendment Agreement will be implemented on June 1 (Monday).

Since CEPA was signed in 2003, its content has been enriched and updated continuously. CEPA is now a modern and comprehensive free trade agreement, covering four major areas, namely trade in goods, trade in services, investment, and economic and technical co-operation.

The Agreement on Trade in Services implemented since 2016 is one of the subsidiary agreements under the CEPA framework. It has integrated and consolidated the liberalisation measures and facilitation measures related to trade in services under CEPA over the years. On November 21, 2019, the Government of the Hong Kong Special Administrative Region and the Ministry of Commerce signed the Amendment Agreement to further enhance the Mainland's level of liberalisation on trade in services for Hong Kong and lower the market access thresholds in the Mainland for Hong Kong services suppliers for more participation in the development of the Mainland market.

The Amendment Agreement introduces new liberalisation measures in a number of important services sectors such as legal services, construction and related engineering services, financial services, testing and certification, television and motion pictures. The new measures make it easier for Hong Kong service suppliers to set up enterprises and develop business in the Mainland, allow more Hong Kong professionals to obtain qualifications to practise in the Mainland and more of Hong Kong's quality services to be provided to the Mainland market. The liberalisation measures take various forms, including removing or relaxing restrictions on equity shareholding, capital requirements and business scope in the establishment of enterprises; relaxing qualification requirements for provision of services by Hong Kong professionals; and relaxing the geographical and other restrictions for Hong Kong's exports of services to the Mainland market.

Since the signing of the Amendment Agreement, the Trade and Industry Department (TID) has proactively liaised with chambers of commerce, professional bodies and industry organisations to introduce the details of the new liberalisation measures, with a view to enhancing understanding of the new liberalisation measures and related implementation arrangements. The Mainland is also promulgating the implementation details as well as related rules and regulations regarding the liberalisation measures in individual service sectors. They cover, for example, the procedures for establishing

enterprises, conditions of operations, management requirements, channels for professionals to obtain/register Mainland qualifications and other supplementary rules.

â€‹ To offer assistance to the trade on a one-stop platform, the TID has set up a dedicated website on CEPA which provides an information database on services organised by sectors. Hong Kong enterprises and professionals can refer to the database for the latest liberalisation measures and relevant Mainland rules and regulations of their respective areas, as well as frequently asked questions, so that they can utilise CEPA to develop their Mainland businesses.

Dedicated website on CEPA:

[www.tid.gov.hk/english/cepa/index.html](http://www.tid.gov.hk/english/cepa/index.html)

CEPA information database by service sector:

[www.tid.gov.hk/english/cepa/tradeservices/trade\\_services\\_requirement.html](http://www.tid.gov.hk/english/cepa/tradeservices/trade_services_requirement.html)

â€‹ The TID also maintains a telephone hotline (2398 5667) and email ([cepa@tid.gov.hk](mailto:cepa@tid.gov.hk)) to handle CEPA-related enquiries, and helps liaise with relevant bureaux/departments and the Mainland authorities to follow up on specific issues.

The implementation of the Amendment Agreement enables the trade to utilise CEPA in gaining greater access to the Mainland market. The Government will continue to promote the development and implementation of CEPA, and assist the trade in capitalising on the opportunities.