

WORLD TRADE ORGANIZATION

S/C/W/218
22 October 2002

(02-5761)

Council for Trade in Services

Original: English

COMMUNICATION FROM THE PEOPLE'S REPUBLIC OF CHINA

Notification under Section 18 of China's Protocol of Accession to the Council for Trade in Services

The following communication has been received from the delegation of the People's Republic of China with the request that it be circulated to Members of the Council for Trade in Services.

**COUNCIL FOR TRADE IN SERVICES: TRANSITIONAL REVIEW UNDER ARTICLE 18 OF THE PROTOCOL OF ACCESSION OF THE
PEOPLE'S REPUBLIC OF CHINA**

Information Required in Annex 1A

- (a) **regularly updated lists of all laws, regulations, administrative guidelines and other measures affecting trade in each service sector or sub-sector indicating, in each case, the service sector(s) or sub-sector(s) they apply to, the date of publication and the date of entry into force**

	Services sector or sub-sector	Name of Relevant Laws, Regulations and/or Administrative Measures and Date of Publication or Entering into force
	I. HORIZONTAL COMMITMENTS	
1	All sectors included in the Schedule of Specific Commitments on Services of China	Law of the People's Republic of China on Sino-Foreign Equity Joint Venture 2001/3/15 Regulations for the Implementation of the Law of the People's Republic of China on Sino-Foreign Equity Joint Venture 2001/7/22 Law of the People's Republic of China on Sino-Foreign Contractual Joint Venture 2000/10/31 Regulations for the Implementation of the Law of the People's Republic of China on Sino-Foreign Contractual Joint Venture 1995/9/4 Law of the People's Republic of China on Foreign Capital Enterprise 2000/10/31 Regulations for the Implementation of the Law of the People's Republic of China on Foreign Capital Enterprise 2001/4/12 Provisions on Guiding Foreign Investment Direction 2002/2/11 Catalogue for the Guidance of Foreign Investment Industries 2002/3/11
	II. SPECIFIC COMMITMENTS	
2	1. BUSINESS SERVICES A. Professional Services a. Legal Services (CPC861 excluding Chinese law practices)	Regulations on Administration of Foreign Law Firms' Representative Offices in China 2002/01/01 Measures for Administration of Law Firms' Representative Offices of Hong Kong SAR and Macao SAR 2002/3/13 Rules on the Implementation of Regulations on Administration of Foreign Law Firms' Representative Offices in China 2002/7/31

	Services sector or sub-sector	Name of Relevant Laws, Regulations and/or Administrative Measures and Date of Publication or Entering into force
3	b. Accounting, auditing and bookkeeping services (CPC 862) c. Taxation services (CPC 8630)	Tentative Procedures for the Administration of Sino-foreign Cooperative Accounting Firm 1996/3/28 Provisional Rules on Administration of Representative Offices of Foreign Accounting Firm 1996/1/4 Notice Concerning Permission for International Accounting Firms to Identify Member Firms in China 1996/1/22
4	d. Architectural services (CPC 8671) e. Engineering services (CPC 8672) f. Integrated engineering services (CPC 8673) g. Urban planning services (CPC 8674)	Rules Governing the Examination and Approval of the Establishment of Sino-foreign Engineering Design Institutes 1992/4/16
5	h. Medical and dental services (CPC 9312)	Interim Measures for Administration of Sino-Foreign Joint Venture and Cooperative Medical Institutions 2000/5/15 Interim Measures on Administration of Foreign Physicians' Short-Term Practising in China 1992/10/7
6	B. Computer and Related Services	Laws, regulations and administrative measures listed in the Horizontal Commitment part are followed
7	D. Real Estate Services	Laws, regulations and administrative measures listed in the Horizontal Commitment part are followed
8	F. Other Business Services a. Advertising Services (CPC 871)	Several Provisions on Establishment of Advertising Enterprise with Foreign Investment 1994/11/3
9	c. Management Consulting services (CPC 865)	Laws, regulations and administrative measures listed in the Horizontal Commitment part are followed
10	e. Technical testing and analysis services (CPC 8676) and freight inspection covered by CPC 749, excluding statutory inspection services for freight inspection services	Provisions for the Examination and Approval of the Establishment of Import and Export Commodity Inspection and Approval Corporation with Foreign Investment 1995/10/9
11	f. Services incidental to agriculture, forestry, hunting and fishing (CPC 881 and 882)	Laws, regulations and administrative measures listed in the Horizontal Commitment part are followed
12	m. Related scientific technical consulting services (CPC 8675) - Onshore oil-field services	Regulations on Exploitation of On-shore Petroleum Resources in Cooperation with Foreign Enterprises 2001/9/23
13	- Offshore oil-field services, Geological, geophysical and other scientific prospecting services (CPC 86751) Sub-surface surveying service (CPC 86752)	Regulations on Exploitation of Offshore Petroleum Resources in Cooperation with Foreign Enterprises 2001/9/23
14	p. Photographic services CPC 875	Laws, regulations and administrative measures listed in the Horizontal Commitment part are followed

	Services sector or sub-sector	Name of Relevant Laws, Regulations and/or Administrative Measures and Date of Publication or Entering into force
15	q. Packaging services CPC 876	Laws, regulations and administrative measures listed in the Horizontal Commitment part are followed
16	s. Convention services CPC 87909	Laws, regulations and administrative measures listed in the Horizontal Commitment part are followed
17	t. Translation and interpretation services (CPC 87905)	Laws, regulations and administrative measures listed in the Horizontal Commitment part are followed
18	- Maintenance and repair services (CPC 63, 6112 and 6122) - Maintenance and repair services of office machinery and equipment including computers (CPC 845 and 886)	Laws, regulations and administrative measures listed in the Horizontal Commitment part are followed
19	- Rental and leasing services (CPC 831, 832 excluding CPC 83202)	Interim Measures for Approval and Administration of Foreign-Invested Leasing Companies 2001/8/14
20	2. COMMUNICATION SERVICES B. Courier Services (CPC 75121, except for those currently specifically reserved to Chinese postal authorities by law)	Rules on Administration of International Freight Forwarding Agency Enterprises with Foreign Investment 2001/12/19 Notice on the Entrustment Management of Postal and Delivery Services for Cross-border Letters and Materials of Letters in Nature 2001/12/20 Supplementary Notice on the Engagement in Postal and Delivery Services for Cross-border Letters and Materials of Letters in Nature 2002/9/5
21	C. Telecommunication Services	Regulations on Administration of Foreign Invested Telecommunications Enterprises 2001/12/11
22	D. Audiovisual Services - Video, including entertainment software and (CPC 83202), distribution services - Sound recording distribution services	Measures for Administration of Sino-Foreign Contractual Distribution Ventures of Audio-Visual Products 2001/12/10
23	- Cinema Theatre Services	Provisional Regulations Governing the Foreign-Invested Movie Theater 2000/10/25
24	3. CONSTRUCTION AND RELATED ENGINEERING SERVICES (CPC 511, 512, 513, ⁴ 514, 515, 516, 517, 518 ⁵)	Rules on the Establishment of Foreign-Invested Construction Enterprises 1995/9/18

⁴ Including dredging services relating to infrastructure construction.

⁵ 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.

	Services sector or sub-sector	Name of Relevant Laws, Regulations and/or Administrative Measures and Date of Publication or Entering into force
25	4. DISTRIBUTION SERVICES A. Commission Agents' Services (excluding salt, tobacco) B. Wholesale Trade Services (excluding salt, tobacco) C. Retailing Services (excluding tobacco)	Measures on the Trial of Foreign-Invested Merchandising Enterprises 1999/6/25
26	5. EDUCATIONAL SERVICES	Interim Provisions for Sino-Foreign Cooperation in Running Schools 1995/1/26
27	6. ENVIRONMENTAL SERVICES	Laws, regulations and administrative measures listed in the Horizontal Commitment part are followed
28	7. FINANCIAL SERVICES A. Insurance services	Regulations on Administration of Foreign-Funded Insurance Companies 2001/12/12
29	B. Banking Services	Regulations on Administration of Foreign-Funded Financial Institutions 2001/12/20 Detailed Implementation Rules of the Regulations on Administration of Foreign-Funded Financial Institutions 2002/2/1 Measures for Administration of Representative Offices of Foreign-Capital Financial Institutions in China 2002/6/13 Proclamation by the People's Bank of China on the Related Issues of Foreign-Funded Financial Institutions' Market Access 2001/12/9
30	- Motor vehicle financing by non-bank financial institutions	The regulation is at the final stage of formulation and a draft has been published on the official website of the People's Bank of China (www.pbc.gov.cn) for public comments.
31	- Securities	Rules for Establishing Foreign-Invested Securities Companies 2002/6/1 Rules for Establishing Foreign-Invested Fund Management Companies 2002/6/1
32	9. TOURISM AND TRAVEL RELATED SERVICES A. Hotels	Laws, regulations and administrative measures listed in the Horizontal Commitment part are followed
33	B. Travel Agency and Tour Operator (CPC 7471)	Regulations on Administration of Travel Agencies 2001/12/11

	Services sector or sub-sector	Name of Relevant Laws, Regulations and/or Administrative Measures and Date of Publication or Entering into force
34	11. TRANSPORT SERVICES A. Maritime Transport Services - International transport (CPC 7211 and 7212 less cabotage transport services) H. Auxiliary Services a. Maritime cargo-handling services (CPC 741) d. Container station and depot services e. Maritime agency services B. Internal Waterways Transport b. Freight transport (CPC 7222)	Regulations on International Maritime Transportation 2001/12/11
35	C. Air Transport Services d. Aircraft repair and maintenance services (CPC 8868)	Rules on Certification of Maintenance Organization for Civil Aircraft 2001/12/21
36	- Computer Reservation System services	Provisional Administrative Measures on the Usage of Computer (Passenger) Reservation System by Foreign Air Transport Enterprises and their Sales Agents within the Territory of China 1995/3/20 Provisional Administrative Measures on the Usage of Computer (Passenger) Reservation System by Chinese Air Transport Enterprises and their Sales Agents within the Territory of China 1995/3/20
37	E. Rail Transport Services - Freight transportation by rail (CPC 7112)	Interim Measures on Examination, Approval and Administration of Railway Freight Transport Industry Invested by Foreigners 2000/8/29
38	F. Road Transport Services - Freight transportation by road in trucks or cars (CPC 7123)	Provisions on Administration of Foreign Investment in Road Transport Sector 2001/11/20
39	H. Services Auxiliary to all Modes of Transport - Storage and warehousing services (CPC 742)	Laws, regulations and administrative measures listed in the Horizontal Commitment part are followed
40	- Freight forwarding agency services (CPC 748 and 749 excluding freight inspection)	Provisions on Administration of International Freight Forwarding Agency Enterprises with Foreign Investment 2001/12/19

(b) **China's licensing procedures and conditions, if any, between domestic and foreign service suppliers, measures implementing the free choice of partner and list of transport agreements covered by MFN exceptions**

Licensing procedures and conditions and measures implementing the free choice of partner for the sectors and sub-sectors included in the Schedule of Specific Commitment on Services of China are provided in the corresponding laws, regulations and administrative measures as listed under item (a). These laws, regulations and administrative measures have been notified in full text English translation to the Council for Trade in Services pursuant to Article 3 of the General Agreement on Trade in Services.

List of transport agreements covered by MFN exemption

Sector or sub-sector	List of transport agreements covered by MFN exemption	Countries to which the measures applies	Current state of play
Maritime Transport International Transport Freight and Passengers	The parties concerned may, through bilateral agreement, establish entities to engage in usual business in China either as joint ventures or wholly-owned subsidiaries subject to the Chinese laws on joint ventures and on foreign capital enterprises for ships owned or operated by carriers of the parties concerned.	Unspecified	
	Agreements of cargo sharing	Algeria, Bangladesh, Brazil, Zaire	Still valid
		Argentina	Terminated on 5 October 1995
		Thailand	Terminated on 30 May 1995
		USA	Terminated in 1998

- (c) regularly updated lists of the authorities, at all levels of government (including organizations with delegated authority) which are responsible for the adoption, implementation and reception of appeals for laws, regulations, administrative guidelines and other measures affecting trade in services

	Services sector or sub-sector	Authorities responsible
	II. SPECIFIC COMMITMENTS	
2	1. BUSINESS SERVICES A. Professional Services a. Legal Services (CPC 861, excluding Chinese law practices)	Ministry of Justice
3	b. Accounting, auditing and bookkeeping services (CPC 862) c. Taxation services (CPC 8630)	Ministry of Finance (The Chinese Institute of Certified Public Accountants) Ministry of Foreign Trade and Economic Cooperation
4	d. Architectural services (CPC 8671) e. Engineering services (CPC 8672) f. Integrated engineering services (CPC 8673) g. Urban planning services (CPC 8674)	Ministry of Construction Ministry of Foreign Trade and Economic Cooperation
5	h. Medical and dental services (CPC 9312)	Ministry of Health Ministry of Foreign Trade and Economic Cooperation
6	B. Computer and Related Services	Ministry of Foreign Trade and Economic Cooperation, and its subordinate bodies
7	D. Real Estate Services	Ministry of Construction, and its subordinate bodies Ministry of Foreign Trade and Economic Cooperation, and its subordinate bodies
8	F. Other Business Services a. Advertising Services (CPC 871)	State Administration for Industry and Commerce Ministry of Foreign Trade and Economic Cooperation
9	c. Management Consulting services (CPC865)	Ministry of Foreign Trade and Economic Cooperation, and its subordinate bodies
10	e. Technical testing and analysis services (CPC 8676) and freight inspection covered by CPC 749, excluding statutory inspection services for freight inspection services	State Administration for Quality Supervision and Inspection and Quarantine Ministry of Foreign Trade and Economic Cooperation
11	f. Services incidental to agriculture, forestry, hunting and fishing (CPC 881 and 882)	Ministry of Foreign Trade and Economic Cooperation, and its subordinate bodies
12	m. Related scientific technical consulting services (CPC 8675) - Onshore oil-field services	Ministry of Foreign Trade and Economic Cooperation

	Services sector or sub-sector	Authorities responsible
13	- Offshore oil-field services, Geological, geophysical and other scientific prospecting services (CPC 86751) Sub-surface surveying service (CPC 86752)	Ministry of Foreign Trade and Economic Cooperation
14	p. Photographic services (CPC 875)	Ministry of Foreign Trade and Economic Cooperation, and its subordinate bodies
15	q. Packaging services (CPC 876)	Ministry of Foreign Trade and Economic Cooperation, and its subordinate bodies
16	s. Convention services (CPC 87909)	Ministry of Foreign Trade and Economic Cooperation
17	t. Translation and interpretation services (CPC 87905)	Ministry of Foreign Trade and Economic Cooperation, and its subordinate bodies
18	- Maintenance and repair services (CPC63, 6112 and 6122) - Maintenance and repair services of office machinery and equipment including computers (CPC845 and 886)	Ministry of Foreign Trade and Economic Cooperation, and its subordinate bodies
19	- Rental and leasing services (CPC 831, 832 excluding CPC 83202)	Ministry of Foreign Trade and Economic Cooperation
20	2. COMMUNICATION SERVICES B. Courier Services (CPC 75121, except for those currently specifically reserved to Chinese postal authorities by law)	Ministry of Foreign Trade and Economic Cooperation
21	C. Telecommunication Services	Ministry of Information Industry Ministry of Foreign Trade and Economic Cooperation
22	D. Audiovisual Services - Video, including entertainment software and (CPC 83202), distribution services - Sound recording distribution services	Ministry of Culture Ministry of Foreign Trade and Economic Cooperation

	Services sector or sub-sector	Authorities responsible
23	- Cinema Theatre Services	State Administration of radio, Film and Television Ministry of Foreign Trade and Economic Cooperation
24	3. CONSTRUCTION AND RELATED ENGINEERING SERVICES (CPC 511, 512, 513, ⁴ 514, 515, 516, 517, 518 ⁵)	Ministry of Construction Ministry of Foreign Trade and Economic Cooperation
25	4. DISTRIBUTION SERVICES A. Commission Agents' Services (excluding salt, tobacco) B. Wholesale Trade Services (excluding salt, tobacco) C. Retailing Services (excluding tobacco)	State Economic and Trade Commission Ministry of Foreign Trade and Economic Cooperation For those phase-in products specifically provided for in the Market Access Column of the distribution sector of the Schedule, other relevant government authorities may also be involved.
26	5. EDUCATIONAL SERVICES	Ministry of Education
27	6. ENVIRONMENTAL SERVICES	Ministry of Foreign Trade and Economic Cooperation, and its subordinate bodies
28	7. FINANCIAL SERVICES A. Insurance services	China Insurance Regulatory Commission
29	B. Banking Services	The People's Bank of China
30	- Motor vehicle financing by non-bank financial institutions	The People's Bank of China
31	- Securities	China Securities Regulatory Commission
32	9. TOURISM AND TRAVEL RELATED SERVICES A. Hotels	Ministry of Foreign Trade and Economic Cooperation, and its subordinate bodies
33	B. Travel Agency and Tour Operator (CPC 7471)	National Tourism Administration Ministry of Foreign Trade and Economic Cooperation

⁴ Including dredging services relating to infrastructure construction.

⁵ 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.

	Services sector or sub-sector	Authorities responsible
34	<p>11. TRANSPORT SERVICES</p> <p>A. Maritime Transport Services - International transport (CPC 7211 and 7212 less cabotage transport services)</p> <p>H. Auxiliary Services a. Maritime cargo-handling services (CPC 741) d. Container station and depot services e. Maritime agency services</p> <p>B. Internal Waterways Transport b. Freight transport (CPC 7222)</p>	<p>Ministry of Communications Ministry of Foreign Trade and Economic Cooperation</p>
35	<p>C. Air Transport Services d. Aircraft repair and maintenance services (CPC 8868)</p>	<p>General Administration of Civil Aviation of China Ministry of Foreign Trade and Economic Cooperation</p>
36	<p>- Computer Reservation System services</p>	<p>General Administration of Civil Aviation of China</p>
37	<p>E. Rail Transport Services - Freight transportation by rail (CPC 7112)</p>	<p>Ministry of Railways Ministry of Foreign Trade and Economic Cooperation</p>
38	<p>F. Road Transport Services - Freight transportation by road in trucks or cars (CPC 7123)</p>	<p>Ministry of Communications Ministry of Foreign Trade and Economic Cooperation</p>
39	<p>H. Services Auxiliary to all Modes of Transport - Storage and warehousing services (CPC 742)</p>	<p>Ministry of Foreign Trade and Economic Cooperation, and its subordinate bodies</p>
40	<p>- Freight forwarding agency services (CPC 748 and 749 excluding freight inspection)</p>	<p>Ministry of Foreign Trade and Economic Cooperation</p>

(d) independence of the regulatory authorities from the service suppliers

With regard to the independence of the regulatory authorities from the service suppliers, China fully complies with its commitment of independent regulation described in paragraph 309 of the Working Party Report on the accession of China.

(e) foreign and domestic suppliers in sectors where specific commitments have been undertaken indicating the state of play of licensing applications on sector and sub-sector levels (accepted, pending, rejected)

	Services sector or sub-sector	State of play of licensing applications of foreign services supplier ¹		
		Approved	Pending	Rejected
	II. SPECIFIC COMMITMENTS			
2	1. BUSINESS SERVICES A. Professional Services a. Legal Services (CPC861, excluding Chinese law practices)	17	0	0
3	b. Accounting, auditing and bookkeeping services (CPC 862) c. Taxation services (CPC 8630)	9	4	0
4	d. Architectural services (CPC 8671) e. Engineering services (CPC 8672) f. Integrated engineering services (CPC 8673) g. Urban planning services (CPC 8674)	1	3	0
5	h. Medical and dental services (CPC 9312)	14	6	0
6	B. Computer and Related Services	n.a. ²	n.a.	n.a.
7	D. Real Estate Services	n.a.	n.a.	n.a.
8	F. Other Business Services a. Advertising Services (CPC 871)	10	0	0
9	c. Management Consulting services (CPC865)	n.a.	n.a.	n.a.
10	e. Technical testing and analysis services (CPC 8676) and freight inspection covered by CPC 749, excluding statutory inspection services for freight inspection services	0	0	0
11	f. Services incidental to agriculture, forestry, hunting and fishing (CPC 881 and 882)	n.a.	n.a.	n.a.
12	m. Related scientific technical consulting services (CPC 8675) - Onshore oil-field services	1	0	0

		State of play of licensing applications of foreign services supplier ¹		
13	- Offshore oil-field services, Geological, geophysical and other scientific prospecting services (CPC 86751) Sub-surface surveying service (CPC 86752)	1	1	0
14	p. Photographic services (CPC 875)	n.a.	n.a.	n.a.
15	q. Packaging services (CPC 876)	n.a.	n.a.	n.a.
16	s. Convention services (CPC 87909)	0	0	0
17	t. Translation and interpretation services (CPC 87905)	n.a.	n.a.	n.a.
18	- Maintenance and repair services (CPC63, 6112 and 6122) - Maintenance and repair services of office machinery and equipment including computers (CPC 845 and 886)	n.a.	n.a.	n.a.
19	- Rental and leasing services (CPC 831, 832 excluding CPC 83202)	0	0	0
20	2. COMMUNICATION SERVICES B. Courier Services (CPC 75121, except for those currently specifically reserved to Chinese postal authorities by law)	16	10	0
21	C. Telecommunication Services	1	2	0
22	D. Audiovisual Services - Video, including entertainment software and (CPC 83202), distribution services - Sound recording distribution services	1	2	0
23	- Cinema Theatre Services	2	1	0
24	3. CONSTRUCTION AND RELATED ENGINEERING SERVICES (CPC 511, 512, 513, ⁴ 514, 515, 516, 517, 518 ⁵)	112 ³	0	0
25	4. DISTRIBUTION SERVICES A. Commission Agents' Services (excluding salt, tobacco) B. Wholesale Trade Services (excluding salt, tobacco) C. Retailing Services (excluding tobacco)	9	9	0
26	5. EDUCATIONAL SERVICES	36	0	0
27	6. ENVIRONMENTAL SERVICES	n.a.	n.a.	n.a.
28	7. FINANCIAL SERVICES A. Insurance services	3	23	0
29	B. Banking Services	7	34	0
30	- Motor vehicle financing by non-bank financial institutions	0	0	0
31	- Securities	0	4	0

⁴ Including dredging services relating to infrastructure construction.

⁵ 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.

		State of play of licensing applications of foreign services supplier ¹		
32	9. TOURISM AND TRAVEL RELATED SERVICES A. Hotels	n.a.	n.a.	n.a.
33	B. Travel Agency and Tour Operator (CPC 7471)	2	0	0
34	11. TRANSPORT SERVICES A. Maritime Transport Services - International transport (CPC 7211 and 7212 less cabotage transport services) H. Auxiliary Services a. Maritime cargo-handling services (CPC 741) d. Container station and depot services e. Maritime agency services B. Internal Waterways Transport b. Freight transport (CPC 7222)	0	0	0
35	C. Air Transport Services d. Aircraft repair and maintenance services (CPC 8868)	1	0	0
36	- Computer Reservation System services	0	1	0
37	E. Rail Transport Services - Freight transportation by rail (CPC 7112)	0	0	0
38	F. Road Transport Services - Freight transportation by road in trucks or cars (CPC 7123)	30	15	0
39	H. Services Auxiliary to all Modes of Transport - Storage and warehousing services (CPC 742)	n.a.	n.a.	n.a.
40	- Freight forwarding agency services (CPC 748 and 749 excluding freight inspection)	16	10	0

Note:

1. This table gives the state of play of applications of foreign services suppliers from the date of China's accession to the WTO till 31 July 2002.
2. n.a. = not available, due to lack of efficient statistics collection channel.
3. This particular number is the total approvals granted for foreign services suppliers in this sector, instead of since China's WTO accession.